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Daily Report
Central Eurasia

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CIS: ITAR-TASS Carries Press Review for 3 Aug

LD0308064296 Moscow ITAR-TASS in English 0622 GMT 3 Aug 96

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW, August 3 (Itar-Tass) — President Boris Yeltsin has signed two decrees on awarding liquidators of the Chernobyl nuclear accident.

Today's issue of Rossiyskaya Gazeta publishes the list of awardees.

On August 3, a federal law amending the law on the status of Heroes of the Soviet Union, Heroes of the Russian Federation and bearers of the Order of Glory comes in force.

The law enacts benefits for spouses, parents and children of dead awardees.

Russian Interior Minister Anatoliy Kulikov gives his view of Russia's crime situation and his ministry's problems in an interview to Rossiyskaya Gazeta.

"We won't replace the tax police, but we will help return billions to the country," Kulikov said.

August 3 makes one year of captivity of Russian airmen in Afghanistan.

An Il-76 transport plane of Tatarstan's air company Aerostan was forced to land near Kandahar by the Taleban opposition militia. Long negotiations have been unsuccessful, and no one knowns when the crew will return home, says the Trud daily.

The Rabochaya Tribuna newspaper speaks of the bread.

"When the bread was fed to pigs, it cost 18 kopecks. When one has to part with 3,000 roubles for a loaf, some bakers have begun to treat the job in a swinish way. Why speak so? ... Because the sacred baking business has become full of rogues," the article by Aleksey Myasnikov says.

The military daily Krasnaya Zvezda reminds the public about the 100th anniversary of birth of Marshal Georgiy Zhukov.

The newspaper is conducting a Zhukov memorial action since November of 1995.

The communist daily Sovetskaya Rossiya asks whether it is "worthwhile for the opposition to hinder the approval of Chernomyrdin" as the candidate for another term of premiership, to be moved by Yeltsin after the inauguration.

The newspaper overviews the pattern of forces to collide around the presidential candidate, to conclude that "a lesser evil is certainly this — not to hinder the approval of the premier's candidacy".

Russia: G-8 Conference Seen Declaring 'War' on Terrorism

MM0208153796 Moscow TRUD-7 in Russian 2 Aug 96 p 2

[Commentary by Vyacheslav Prokofyev under the rubric "On Terrorism": "'Black International' Outlawed"]

[FBIS Translated Text] Paris — Will the "G-8" conference on terrorism held in Paris this week be a turning point in the battle against an evil which recognizes no borders, kills hundreds, and maims thousands? It is hard to give an unequivocal answer to this question. It is absolutely clear, however, that it is not simply a matter of issuing another "serious warning," as in the past. By adopting a concrete action program, the 16 heads of the foreign policy departments and security services of the world's leading countries have essentially thrown down a challenge to terrorism, whatever guise it may assume.

This would have been virtually impossible not so long ago. In a world divided into East and West, terrorism was part of the arsenal of means used by both sides in the global ideological confrontation — a fact they did not wish to advertise. The conventional belief used to be that acts of terrorism were either "permissible" or "impermissible." Some would turn a blind eye if the target was "world imperialism," for example. In turn, the West blatantly supported cutthroats whose actions were directed against the interests of the "evil empire," as Ronald Reagan dubbed the USSR 15 years ago. Through bitter experience, the Americans and their allies later realized that nurturing professional killers is extremely dangerous. During the war in Afghanistan the CIA and the Pakistani special services trained 45,000 Muslim militants and supplied them with the very latest weapons, including highly accurate Stinger missiles, 300 of which the Americans, kicking themselves, are now searching for all over the world. So where are these "deadly legions" of extremely dangerous fanatics? Out of a job, they have crawled away to various corners of the globe, leaving a bloody trail behind them.

Bombs in Atlanta, Cairo, Algiers, and Moscow, an American Boeing crashing over the Atlantic.... The international terrorism of today has many faces and is constantly changing; it would be a mistake to think that state interests are constantly looming behind its back. Many groups, even those initially set up by the special services of some country or other, now operate "autonomously," as Russian Foreign Minister Yevgeniy Primakov said during a meeting with Russian journalists at the end of the Paris conference. New associations are emerging — separatist or religious-sectarian groups, for example — which also take the terrorist path. The U.S. desire to "punish" various countries, such as Iran, Iraq, Sudan, and Libya, which, in Washington's opinion, continue to support international terrorism, met with no response in Paris. There have to be really weighty grounds for sanctions. Consequently, the Europeans believe that these states must be engaged in a "critical dialogue." The Russian foreign minister also believes, incidentally, that economic sanctions are counterproductive, because they hit the population hard, but not the authorities, as a result of which an atmosphere of hatred toward foreign "perpetrators of all ills" and, consequently, fertile ground for outbreaks of terrorism arise in these countries.

In response to the concern expressed by his "G-8" partners at the Paris conference regarding the worsening situation in Chechnya, Yevgeniy Primakov drew their attention, in particular, to a statement by the Chechen commander Raduyev, who openly spoke of "a campaign of terror in progress, a bombing campaign" against Russia. The minister stressed that there cannot be a dual approach to terrorists, however they may try to justify their actions.

The series of measures (and 25 were adopted in Paris) mainly aims to oppose the "black international" with an antiterrorist "white international" from the international community. It is not a question of forming some special organization, but of establishing very close cooperation in this sphere between the relevant "G-8" services and ensuring a regular, valuable exchange of information on operations. Intensive contacts are envisaged in the exchange of science and technology, the identification of terrorist groups' sources of finance, and the blocking of those sources, plus the introduction of control over modern means of communication, one of which (the Internet world telecommunications network), in particular, is used by terrorists for their own purposes; all kinds of organizations, from charities to religious bodies, will also be monitored, as they are sometimes used as a cover for groups which support terrorists.

So war was declared on terrorism in Paris. What we take with us into the third millennium will largely depend on its outcome.

Russia: Comment on Chubays' Strategic Planning Group in U.S.

MK0208135996 Moscow NEZAVISIMAYA GAZETA in Russian 2 Aug 96 p 1

[Commentary by Titus Sovetologov [chief editor Vitaliy Tretyakov]: "Strategists on Rampage"]

[FBIS Translated Text] The news of interest to everyone about the creation under Anatoliy Chubays of a GSP — Group of Strategic Planning of the Russian Federation

— is pleasant albeit long awaited. In the same manner as the makeup of the group, which opposes not only the Security Council but also the Defense Council. Incidentally, Aleksandr Lebed has already dubbed the newly created structure a "gang of redheads" while Aleksandr Korzhakov, who heard this news in Atlanta, lamented what he called "continued voucherizing of the Kremlin."

Meanwhile, the writer of this, who is on friendly terms with one of the GSP members, was lucky to hear this member disclose the essence of the group's new operation over a glass of vodka and cured sturgeon in the former hotel Oktyabrskaya-1. It appears that it has been decided to open its activities by playing a dirty trick on the Americans in connection with their presidential election. Two teams (led by Sergey Zverev and Vasiliy Shakhnovskiy) will be dispatched to the States. One will put up at the hotel housing the Republicans' headquarters, and the other with the Democrats. The plan is simple. Should Clinton win, this will be announced as a feather in the cap of Satarov and Oslon. Should Dole win, Nikonov and Shakhray will be "to blame." In either case, the laurels will go to the GSP, and the U.S. president, whoever he may be, will not take along to his White House the American political scientists and image makers.

This terrible revenge is said to have been conceived by Chubays himself, but the idea has been polished to a mirror-like luster by Malashenko, spending his childbirth vacation in London.

The trip to the United States will cost nothing to the state budget because it will be paid, on a charity basis, by Mostbank via Sergey Zverev. It has been decided against bringing along to the United States Tatyana Dyachenko because, using the system of checks and balances, she is supposed to keep the Russian president on an even keel while they are electing one in America.

Russia: USAF Visit Unit Seen as 'Payment' for Election Services

MM0508083496 Moscow SOVETSKAYA ROSSIYA in Russian 3 Aug 96 p 4

["Own information" report: "Returning the Favor?"]

[FBIS Translated Text] Foreign sources report that from 5 through 9 August, in accordance with agreements, USAF subunits will visit an aviation unit of the Russian Air Defense Forces. The U.S. group is headed by Air Force Lieutenant General Lawrence Bouz [name as transliterated], commander of the USAF air army in Alaska, and the Russian group by Colonel General Vladimir Andreyev, Air Defense commander of aviation.

During the visit there are plans for a meeting with Army General Viktor Prudnikov, commander in chief of the Air Defense Forces, an introduction to the day-to-day activities of a Russian air defense aviation unit, and joint flights by Russian and U.S. airmen on Su-27 and F-15 aircraft.

This information prompts a number of interesting questions that we would like to ask Security Council Secretary Aleksandr Lebed and other people responsible for the protection of the country's state secrets. First, who arranged this visit, with whom, and at what level, and why is nothing known in Russia about any such arrangements? Second, do these arrangements comply with existing legislation? By way of commentary it should be said that in the United States arrangements of this kind, which, to put it mildly, correspond to the Russian saying about "letting the goat into your kitchen garden," would lead to the threat of life imprisonment for officials, and resignation for a government.

Third, is it permissible, from the viewpoint of the country's security and national independence, for foreign military machines to overfly the entire country and be based in close proximity to the state capital? What will the technical side of the flight cost the Russian budget? Who is directly responsible for the violation of the usual regime and the damage which will certainly be done to Russia's national security as a result of this action?

And lastly: Is it any coincidence that the flight by American military planes over Russia's entire territory coincides with the date of the Russian president's inauguration? Is this unprecedented action a kind of payment by the Russian president to his American counterpart for services rendered by America in the elections? Now, apparently, the time has come for Yeltsin to help his friend Bill to be reelected. Clinton collects a lot of election points at the cost of Russia's security.

Of course, the editorial office does not hold out much hope that General Lebed will take the trouble to answer questions which are directly connected with the country's national security and important to all its citizens. The period of populist statements about the good of the state ended with the elections; the process of actively paying for a place in the Kremlin sun is under way.

Russia: FBI Agents Visit Krasnodar

MM0208132696 Moscow IZVESTIYA in Russian 2 Aug 96 p 4

[Report by Andrey Aderekhin: "'New Americans' Duped Cubans But FBI Intervened"]

[FBIS Translated Text] Krasnodar — Two assistant federal prosecutors from New York's Southern district and two agents of the New York branch of the FBI have arrived in Krasnodar to investigate instances of particularly large-scale fraud of which emigres from the Soviet Union who have become U.S. citizens are accused.

Vladimir Gubenko, chief of the Krasnodar Kray Main Internal Affairs Directorate department for combating international crime, told your IZVESTIYA correspondent a few details of the case which has brought the Americans to the Kuban.

Back in 1991 a few emigres from the USSR decided that their former compatriots were ripe for swindling under the guise of "business contacts with America itself." The leaders of the group were Denis Port, Leo Bergen, and Alex Kay, known not long ago in Dnepropetrovsk, Leningrad, and Kiev as Yakov Portnov, Lev Breskin, and Arkadiy Korogodskiy.

The "new Americans" registered a fictitious firm called "Newtel and Co" and set off to "do business" in Russia.

"The scheme for the fraud was quite simple," Vladimir Gubenko said. "In 1992 the firm 'Newtel and Co' bought a site at an international exhibition in Moscow. At the same time a contract was concluded with the 'Informsvyaz' enterprise on the use of a current account. The American firm's 'area' at the international exhibition interested a couple of dozen Russian firms including some from Krasnodar and Stavropol. After all, the Americans were offering to deliver computer equipment at very low prices, 50 percent below the usual ones.... Those who took the bait of the cheap price were asked to make a 100 percent payment and wait for the computers from America. Our naive businessmen, mainly representatives of trading firms, punctiliously made the payment in rubles into the 'Informsvyaz' account from where the money left for the United States, where it was promptly pocketed by the group which had thought up the fraud. No one actually got the computers in Russia.... In this way they 'earned' $4.6 million at the 1992 rate from the Krasnodar Kray firms alone."

The affair became known to the Russian law enforcement organs. The venture of the emigres from the former Union also attracted the attention of the U.S. law enforcement organs. In 1993 the FBI and the Russian Internal Affairs Ministry investigation committee began to investigate the case in close contact.

The Russian side helped to establish the identities of the main members of the criminal grouping based in New York and to obtain documentary proof of the fraud they had worked. After a trip to the New York district court by Sergey Glushenko, senior investigator for particularly important cases at the Internal Affairs Ministry investigation committee, criminal proceedings were instituted against the swindlers.

On 29 February this year Lev Breskin, Arkadiy Korogodskiy, and another member of the group, Georgiy Iosifyan, were arrested in New York. But Yakov Portnov was not in America at the time and he was arrested 12 March in Moscow and put in the Lefortovo detention center.

"The investigation is coming to an end," V. Gubenko said. "The Americans have come to the Kuban to meet personally with the victims of the swindlers from the United States. In Krasnodar they questioned representatives of two local firms and one of the firms from Stavropol Kray which suffered. Who exactly suffered from the fraud by their former compatriots we cannot yet make public — the Americans asked us not to do so because the trial is still to come and lawyers over there are powerful...."

Nor did the assistant prosecutors and FBI agents want to be "snapped" by journalists' cameras and television apparatus, IZVESTIYA was told by Viktor Klyuyev, an official at the kray Main Internal Affairs Administration information department. They also asked not to be named in the press. At the meeting which nonetheless took place with journalists the representatives of the U.S. law enforcement organs had little to say. Without mentioning the details of the case they merely noted the high degree of professionalism of their Russian counterparts and announced that thanks to their close cooperation they had managed to obtain all the necessary evidence for the case under investigation.

In February of this year the agreement between Russia and the United States on mutual aid in investigating criminal cases came into force. Your IZVESTIYA correspondent was told by V. Gubenko that the sides admitted that the fraud case involving Breskin, Portnov, and others was the first within the framework of this agreement and in terms of cooperation it was considerably higher than the scandalous "Yaponchik case..."

Joint efforts were made not only by the central organs of the two countries' law enforcement systems but also by officials on the spot. Thus in the Kuban the investigation was helped by workers from the North Caucasus region administration for organized crime and the kray Main Internal Affairs Administration department for combating international crime.

Russia: Seleznev: Moscow Should Strengthen Presence in L. America

LD0208171896 Moscow ITAR-TASS in English 1630 GMT 2 Aug 96

[By Ivan Novikov]

[FBIS Transcribed Text] MOSCOW, August 2 (Itar-Tass) — Russia's presence in Latin American countries must be more appreciable, State Duma Chairman Gennadiy Seleznev said on Friday.

Commenting on the results of the official visits by the Duma delegation to Cuba, Nicaragua and Venezuela, Seleznev said that a "great interest in Russia in the countries of Latin America." He noted that "Cuba just as before is disposed towards Russia," and ready to develop trade and economic ties with Moscow.

Seleznev stressed that the Russian parliamentarians were also "received very warmly" in two other Latin American countries.

The State Duma delegation has had the impression that there are great reserves for the development of Russia's multilateral ties with Latin American countries which in the last few years have been lost in many respects, the speaker said.

"Russia must have its interests in Latin America," Seleznev noted. He said he would inform President Boris Yeltsin and Prime Minister Viktor Chernomyrdin about all these issues.

Russia: Primakov, Ukrainian Counterpart Upbeat on Talks

LD0208211296 Moscow Mayak Radio Network in Russian 1228 GMT 2 Aug 96

[FBIS Translated Text] The Russian and Ukrainian foreign ministers briefed journalists in Moscow today on their talks. They were upbeat in their assessment of the talks and this was stressed by the Ukrainian foreign minister, Hennadiy Udovenko.

[Begin Udovenko recording] The aim of the visit was to achieve mutual agreement with my Russian counterpart and to boost the active negotiation process on all the issues that we have yet to resolve, to pave the way for our states to sign a treaty on friendship and cooperation as soon as possible, and for President Yeltsin to visit. [end recording]

Thus, the main task for the time being is to get a bilateral treaty on friendship and cooperation signed. Russian Foreign Minister Yevgeniy Primakov spoke about this:

[Begin Primakov recording] In the strategic sense, the conditions are as favorable as they can be for the treaty to be signed. Firstly, our countries are striving to move closer to each other. Secondly, Boris Nikolayevich Yeltsin won our elections, which makes our position stronger. And, of course, your [Ukraine's] constitution has been adopted, which opens the way for talks with us on the treaty. We have concluded that the treaty can be signed when the Black Sea Fleet issue has been resolved.

Judging from what we heard at the news conference, the Black Sea Fleet issue has still not been fully resolved and both sides are sticking to their positions although there is light at the end of the tunnel, as both foreign ministers mentioned. Journalists asked about the Black Sea Fleet of course but they were also interested in other, let's say, outstanding wrinkles in relations between the two countries, between Russia and Ukraine. For example, NATO's eastward expansion and the ensuing possibility of nuclear weapons being stationed in central and eastern Europe. Hennadiy Udovenko:

[Begin Udovenko recording] In its declaration of state sovereignty, adopted by parliament on 16 July 1990, Ukraine voluntarily, and I stress that word, committed itself to becoming a non-nuclear state in the future. And we became such a state. But we are very concerned that nuclear proliferation could follow if new countries join NATO. So, Ukraine, the Ukrainian president, in this respect has launched an initiative for central and eastern Europe to become a nuclear-free zone. And there's nothing unusual or new in that initiative. As you know, there's a nuclear-free zone in Latin America, the Tlatlolca treaty, and there's a similar nuclear-free zone in southeast Asia. We wouldd like Europe to follow world trends. I do not want to claim that our call has been enthusiastically received but we are concerned and our president has launched his initiative. To develop that initiative, I have sent a letter to the foreign ministers of all NATO member countries and to the NATO secretary general, suggesting that we get together, in what way is another question, to discuss putting the initiative into effect. [end recording]

I will just add that one of the results of the talks between the Russian and Ukrainian foreign ministers was a decision to continue bilateral consultations and exchange visits by the two countries' leaders, including a visit to Russia by the head of the Ukrainian government and to Kiev by the head of the Russian government.

Thus, relations between Kiev and Moscow should and will improve.

Russia: Primakov Pleased With Udovenko's Statement on Joining NATO

LD0208115596 Moscow INTERFAX in English 1141 GMT 2 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 2 (Interfax) — Russian Foreign Minister Yevgeniy Primakov said at a news conference in Moscow Friday [2 August] that he was very pleased with Ukrainian Foreign Minister Hennadiy Udovenko's statement that Ukraine will not join NATO and will stay outside blocs.

Numerous reports have said that the admission of the Visegrad group of Poland, the Czech Republic, Hungary and Slovakia into NATO will be followed by a second echelon, the Baltic countries and Ukraine, Primakov said.

"Udovenko's statement puts an end to these speculations," Primakov said.

Russia strongly objects to the joining of NATO by the Baltic countries, he said.

Russia's position about the enlargement of NATO eastward remains unchanged, Primakov said. "The approach of NATO infrastructure toward the territory of Russia is unacceptable to us," he said.

Udovenko told the news conference that Kiev "is very worried over the proliferation of nuclear weapons with new countries joining NATO."

Ukraine removed the last strategic nuclear warheads from its soil on May 31, he said.

Udovenko said he had sent letters to all his counterparts in NATO countries and the secretary-general of NATO suggesting a meeting to discuss Kiev's proposal about turning Central and Eastern Europe into a nuclear-free zone.

Udovenko added that he had asked Moscow to support this idea actively.

"We will do our best to prevent the deployment of nuclear weapons in the vicinity of Ukrainian borders," he said.

Speaking of the possible admission of the Baltic countries to NATO, he said that every country pursues its own policy and nobody can veto its decisions, but countries should recognize common interests as well as their own.

Russia: Udovenko Bars Russian MP's Who Make Anti-Ukrainian Remarks

LD0208164196 Moscow INTERFAX in English 1525 GMT 2 Aug 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Aug 2 (Interfax) — Ukraine will not admit Russian politicians who have openly proclaimed anti-Ukrainian statements, Ukrainian Foreign Minister Hennadiy Udovenko told a news conference in Moscow Friday.

The news conference was devoted to the results of Udovenko's two-day visit to Moscow.

"Kiev is concerned about the statements by some Russian politicians and deputies of the State Duma about Ukraine's territorial integrity," Udovenko said.

He cited the recent denial of entry visa to Konstantin Zatulin who "repeatedly made sharply anti-Ukrainian statements." This is why Ukraine decided to proclaim Zatulin as persona non grata, he said.

"Our constitution bans any activities aiming to undermine our statehood, territorial integrity and inviolability of borders," Udovenko said. "Kiev will act like this with those who allow themselves statements of this kind."

At the same time, Ukraine understands that "these people do not express Russia's official policy," he said.

Russia: Moscow Worried Over Tajik Opposition's Demands

LD0108125996 Moscow INTERFAX in English 1246 GMT 1 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 1 (Interfax) — The Russian Foreign Ministry expressed concern Thursday over the reports that the Tajik opposition is setting preconditions under which opposition leader Said Abdullo Nuri would agree to meet with Tajik President Emomali Rakhmanov.

Russia "would not like to view this stance of the armed Tajik opposition as a rejection of the Russian initiative or a gesture made under the influence of third countries," Vladimir Andreyev, a spokesman for the Foreign Ministry, said at a briefing in Moscow.

It was Russia that suggested that a meeting be held between Rakhmanov and Nuri in Moscow in August 1996, at which the two men could agree on upholding the cease-fire and on steps extending the 1995 Tehran agreement, he said.

Rakhmanov agreed to meet Nuri without any preconditions, Andreyev said.

Russian Foreign Minister Yevgeniy Primakov was told in Ashgabat on July 9 at his meeting with chief Tajik government and opposition negotiators that Nuri had essentially agreed to meet Rakhmanov. Nuri himself confirmed this on July 23, he continued.

Russia will continue its involvement in the negotiating process under the auspices of the United Nations and help the Tajik factions to find constructive compromise decisions, Andreyev said.

He confirmed an invitation for Nuri to meet with Rakhmanov in Moscow.

For more details see today's Interfax Diplomatic Panorama.

Russia: Russia Faces Resistance From Rivals in SE Asia Arms Market

MM0208143996 Moscow IZVESTIYA in Russian 1 Aug 96 p 3

[Report by Anatoliy Sautin: "Slavs Have Not Got Foothold in Java"]

[FBIS Translated Text] Russia's presence at the recent international air show in Jakarta was the source of quite a few surprises both for the guests and the hosts. There was understandably much that amazed us — it is all of 30 years since the Russian military had walked on these palm-covered islands. But how surprised the representatives of the "Rosvooruzheniye" company were when the Indonesian generals discussed our new models of weaponry in good Russian.

From 1958 Moscow had supplied the Sukarno regime with tanks, guns, and aircraft. Eyewitnesses testify that Jakarta even obtained from Moscow the largest cruiser of its time — the Ordzhonikidze. Aside from supplying arms, the USSR taught the fighters for a "bright future" the art of war. The military friendship between the two countries lasted for seven years, but then General Suharto came to power and steered the country in a different direction — that of the market economy.

Since then Indonesia has only armed its Army in accordance with NATO standards. But over the last couple of years fashions in weaponry in Southeast Asia have undergone great changes. The "Asian dragons," whose appetites for spending could almost be compared to those of the Arab shaykhs, are with increasing frequency "trying out" military products from the arsenals of the Russian military-industrial complex.

People began to talk about the appearance of the new trend in Southeast Asia after the purchase by the Malaysian Air Force of 18 MiG-29's. Incidentally, Malaysia did not let the opportunity pass at the Jakarta air show to boast to its neighbors about its acquisitions from Russia. In the breaks between demonstration flights, one of the MiG pilots, Naffidi [as transliterated], even shared his impressions of the plane with visitors to the show, claiming that now he will never again sit at the controls of an American Phantom.

The "Rosvooruzheniye" state company brought "Sukhoy" aircraft to the island of Java. The demonstration flight of our aircraft really enthralled the Indonesian fliers. Judging by reports in the local press, the aerobatics of the Su-27, Su-30, and Su-35 aircraft overshadowed the performance of the famous Red Arrows. Bear in mind that the participation of the team from the British Royal Air Force is a must at all air shows. But the British show off their mastery in Hawk trainers. And the Russian aces traditionally show off standard combat aircraft.

Discussing with us our aircraft's future in the region, Oleg Belaventsev, first deputy general director of the "Rosvooruzheniye" company, did not hide the fact that our competitors' influence is only too strong here. Lockheed Martin and McDonnell Douglas quietly put up a strong performance at the air show without surprising the local military with anything new. Nevertheless, the companies felt imperiously calm. A military industrialist from St. Louis in the United States said to me frankly:

"This is our market and we will not let you in. The contract with Malaysia and your involvement in the remaining tenders are just maneuvering on the part of local purchasers who want to knock our price down. But they will buy from us. We will extend credit to them and defend them from aggressive neighbors. Finally, we have a powerful political lobby and your politicians have not been seen here for more than 30 years now."

Indeed, the last high-ranking Slav to visit the island of Java was Ukrainian President Leonid Kuchma. He presented the Indonesians with a picture entitled "The Wide Dniepr." You can see it on the wall in Jakarta's oceanarium next to a tank housing bloodthirsty piranhas.

Russia: Moscow To Sell Iran 12 TU-154 Aircraft

LD0208170696 Moscow ITAR-TASS in English 1658 GMT 2 Aug 96

[By Boris Belyakov]

[FBIS Transcribed Text] SAMARA, August 2 (Itar-Tass) — Director of Samara-based Aviakor plane producer Lev Khasis signed a contract with an Iranian delegation for the sale of 12 Tu-154M and Tu-154-100 planes in Samara in the Volga region on Thursday, sources in the local administration told Itar-Tass on Friday.

The order, worth 100 million U.S. dollars, has been Aviakor's biggest one. In complicity with the contract, the final set of planes will be handed over to the Iranian side in October, 1997, the source said.

The talks have been underway for almost 18 months. The buyers not only studied the technical characteristics of the planes, but were also familiarised with the production conditions, the source said.

According to the source, cooperation may continue after the implementation of the order.

Political Issues

Russia: Yeltsin To Return to Kremlin 8 Aug

LD0508074596 Moscow INTERFAX in English 0708 GMT 5 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 5 (Interfax) — Russian President Boris Yeltsin plans to meet with Prosecutor General Yuri Skuratov Monday in the president's Barvikha countryside retreat, presidential press secretary Sergey Medvedev told Interfax.

Skuratov will brief the president on the law and order situation in the country. The two men will discuss fighting crime.

Yeltsin will analyze documents during the day.

He will return to the Kremlin on the eve of the August 9 inauguration ceremony, informed sources say.

Russia: Yeltsin Appoints Security Council Deputy Secretary

MM0208142596 Moscow ROSSIYSKAYA GAZETA Weekend Edition in Russian 2 Aug 96 p 2

[Unattributed report under the "Official" rubric]

[FBIS Translated Text] By a directive of the Russian Federation president, Nikolay Vasilyevich Mikhaylov has been appointed deputy secretary of the Russian Federation Security Council.

Russia: Yeltsin Approves Security Council Statute

LD0408115696 Moscow ITAR-TASS World Service in Russian 1941 GMT 2 Aug 96

[FBIS Translated Text] Moscow, 2 Aug (Itar-Tass) — Russian President Boris Yeltsin has by his edict of 1 August, approved the statute on the apparatus of the Security Council of the Russian Federation. This was reported today by the press service of the head of state.

Under the statute the main tasks of the apparatus of the Security Council are: Organizational and technological provisions for the work of the president of the Russian Federation and the Security Council in exercising their powers in the area of the security of individuals, society, and the state; the provision of information and analysis for the work of the president and the Security Council on current security problems; the evaluation of domestic and external threats to vitally important security facilities; and the exposure of sources of danger.

Russia: New Composition of Security Council Reported

MK0308054896 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 2 Aug 96 p 2

[Report by Andrey Yashlavskiy: "Everything Is Relative"]

[FBIS Translated Text] The day before yesterday, President Yeltsin signed an edict confirming a new makeup of the Russian Federation Security Council. The first thing that catches the eye as you compare the two lists of Security Council members — the old one and the new one — is a lot of new names on the latter. Something which cannot be surprising at all because the passions provoked by the latest dismissals and appointments in the top echelons of power have not subsided yet.

Still, looking at the list of two years ago you willy-nilly think of the fleeting nature and vanity of existence. As they say in such cases, some are far distant, some are dead [a line from Alexander Pushkin's 'Eugene Onegin,' translated by Charles Johnson]

The council has been purged from top to bottom, with only a third remaining of the former list. Yeltsin, in the capacity of chairman of the Council, Chernomyrdin, the main border guard Andrey Nikolayev, and Minister for Emergency Situations Sergey Shoygu, as well as Yevgeniy Primakov (now in his new capacity of foreign minister, before that he represented the Foreign Intelligence Service in the Security Council).

Understandably, compared with summer 1995, the composition of the Security Council members — heads of the power departments — has changed beyond recognition. Yerin, Stepashin and Grachev have been replaced with, Anatoliy Kulikov, Nikolay Kovalev, and Igor Rodionov, respectively. The present Foreign Intelligence Service member in the Security Council is its director Vyacheslav Trubnikov. The recently formed Federal Protection Service is represented by Yuriy Krapivin.

Conspicuous is the fact that the new composition has no representatives of the legislative branch whereas the old one included State Duma Speaker Ivan Rybkin and the Federal Assembly's upper house chairman Vladimir Shumeyko. Obviously the seats of the parliamentary heads have been taken by additional key ministries represented in the Security Council by Zinoviy Pak (defense industry minister), Viktor Mikhaylov (minister for atomic energy), and Finance Minister Vladimir Panskov. The new justice minister, Valentin Kovalev, is a new person in the Security Council (before him, Yuriy Kalmykov was member of the Council).

Russia: Satarov Interviewed on Yeltsin's Health, Reshuffles

MK0208124696 Moscow SEGODNYA in Russian 2 Aug 96 p 5

[Interview with Georgiy Satarov, presidential adviser and member of the Presidential Staff's Analytical Council, by Yelena Tregubova under the "Views" rubric: "Georgiy Satarov: The President's Possible Successors Are Chernomyrdin, Luzhkov, and Lebed"]

[FBIS Translated Text] [Tregubova] Georgiy Aleksandrovich, do you already know whether there will be a place for you in the new presidential team that is currently being created?

[Satarov] I am not a fatalist, but, generally speaking, the fate of any bureaucrat is determined only by his superior. For the time being, let's put it this way, I do not see any signs that "there will be no place."

[Tregubova] And will there be such people for whom there will be no place in the Kremlin at all?

[Satarov] Why, surely there will!

[Tregubova] Who?

[Satarov] Look, it is inappropriate to talk about such things. You know, there is a fairly serious reshuffle under way, the structure of the administration will be modified, possibly some key functions will be changed as well. After all, this is a new four-year term, a new presidency.

[Tregubova] What "change of functions" are you referring to?

[Satarov] In the most general sense, the issue is the same as it was in the next to the last presidential message — "the effectiveness of state authority." The elections have shown what is effective and what is not, as well as who is effective and who is not. It is depending on this that a natural selection will proceed. To be more specific (but not absolutely specific — I will not be so specific as to tell you everything), the presidential staff will probably somewhat scale down its interference in the government's affairs; there will be more normal political work and more of that which is prescribed to the president by the Constitution.

[Tregubova] Whose word is decisive in the formation of the team?

[Satarov] It is the president who always has the final, deciding word. This is not a polite formula, this is a fact. It is another matter that the president may invite various people to formulate his decisions. At the moment he has invited Anatoliy Borisovich Chubays to do so.

[Tregubova] That is, your answer is "Chubays"?

[Satarov] Yes, his word is not decisive, but it is determinative when a specific decision is being formulated.

[Tregubova] One may hear from certain analysts that the incident in which Korzhakov, Barsukov, and Soskovets were removed was a well planned electoral move by the president and that the people who were dismissed in fact remain loyal to the president to the extent that they had even voluntarily become "a peace offering." Now that some time has passed after the elections can you comment on that?

[Satarov] You know... In fact, the president's sentiments with regard to modifying his team or, let's say, infusing fresh blood, changing the style of its work, manifested themselves even before the first round. That is, he started thinking this over and drawing certain conclusions even earlier, before his victory. For this reason, this would have happened sooner or later anyway — yet, possibly in a different form. As to the form in which this actually happened, here we have, of course, a combination of certain trends and certain views of the president regarding his future presidency and specific circumstances. But to say that a specific event occurred in such a way because it was planned beforehand — this happens very rarely in real life. And I think this was not the case here. I am not 100 percent sure, but it doesn't seem to me it was.

Again, people usually call certain events "conspiracies" after they have already occurred. Conspiracies are also much less common than people tend to think they are. So, "well realized plans," what is it? As a rule, they also emerge after they have already been realized. It was hardly a conspiracy there in the literal sense of this word. An attempt to grab more than is one's fair share, an attempt to prevent someone from doing something, maybe, but it was hardly a conspiracy.

[Tregubova] When we met approximately a year ago in the same office, you answered fairly ambiguously any questions about the internal atmosphere in the Kremlin, Korzhakov, and so forth. Today you are obviously more eager to speak about the former presidential security service chief. There is also another obvious change: When I entered the building, no one was ordered to escort me — on the contrary, I myself had to look for someone to show me the way, because I forgot to ask in advance whether or not you had moved to another office. Does this mean that a certain softening in the internal regime occurred after Korzhakov's departure?

[Satarov] You see... Generally speaking, I have never been afraid of anyone, have not been hooked on anything in that regard. I have had no reasons to fuss about my post, and there is nothing to hang me by. Mine is a fairly convenient situation in this regard. And besides, it is easier when you understand your rival. Or even if not a rival, then a partner, another person. You understand that there is someone else with his own plans and interests, with his methods. They might differ from yours. But at least everything is understandable.

[Tregubova] Were Korzhakov's methods really so frightening that he held most Kremlin employees in fear?

[Satarov] What do you mean in fear?! He stood in the way — there were such incidents.

[Tregubova] How?

[Satarov] How? For instance, my first serious conflict with Korzhakov occurred in connection with the goings-on outside City Hall in December 1994. In what sense did that stand in my way? I thought that something that was done there hindered the president and discredited the president. I did not straighten out all the details at the time, but it was obvious that Korzhakov had a hand in it — simply judging by his reaction to my interference. So does something that damages the president's reputation hinder you in your work? Of course, it does! But as to his hindering my work, preventing me from fulfilling my duties, my contacts with the president — there was nothing of that in particular. I did not feel that. Basically, you get the feeling that a person messes in someone else's business and, when he does so, he behaves like a bull in a china shop. Okay, let's say you decided to take on corruption and you concluded that this is part of your duties. Then you should at least do it competently! Without setting up the president!

[Tregubova] Are the rumors to the effect that Korzhakov has in fact never left the Kremlin justified?

[Satarov] What do you mean — never left? I beg your pardon — a presidential edict is a presidential edict, his service no longer exists.

[Tregubova] And yet, is Korzhakov currently within this building?

[Satarov] I have not seen him. No, I mean it! Well, in some other capacity — in any event, it will be a far cry from his erstwhile clout — it cannot be ruled out that he might reappear here. But this is up to the president to decide.

[Tregubova] It is true then that the chief of the presidential security service actually wielded formidable clout and that there was a fierce standoff between two groups within the Kremlin team?

[Satarov] What do you mean by a fierce standoff? As far as I know, I have not been considered as a member of the Korzhakov team, have I? Yet this did not prevent me from cooperating with him on some matters and opposing him on others. This is life! Indeed, different ends, different views with regard to some means, and so forth. But as for a fierce standoff... I just do not know... In what sense?

[Tregubova] In the sense in which you have just referred to Korzhakov's "erstwhile clout."

[Satarov] You know, the president has not let anyone become too powerful. What I am saying is "as powerful as he was." That is, compared to his erstwhile clout, not to that of other persons. The president, meanwhile, has always kept a balance.

[Tregubova] Is it a justified view that currently the president has to maintain a balance between two other figures, let's say, between Lebed and Chubays? Are two opposed teams emerging yet again?

[Satarov] I would like to hope that there will be one single team within the administration. This would be called progress, right? As for the Security Council, yes, a certain system of checks and balances is coming into place once again. This is a normal process. Furthermore, this also means additional information channels for the president. So there are also positive, not only negative, sides to this competition, if you know what I mean. Absolute monopolism is also damaging, you know.

[Tregubova] Is it true that the presidential team (let's call it "the old guard") has been treating Lebed in an extremely wary and cold fashion?

[Satarov] In which team do you place me under this classification?

[Tregubova] In the "old" one.

[Satarov] I accepted him with utmost calm. True, I have had no reasons for any emotions, because I have not contacted him. Although there are problems regarding which I am planning to make contact. Then we shall see, but in the meantime I have no reasons whatsoever to have negative emotions.

[Tregubova] Do you personally regard Lebed as the sole possible successor to the president?

[Satarov] No, of course not. I do not regard him as such. First, because it is too early to do so. Second, because there are in fact heavyweight politicians besides him.

[Tregubova] Who, for instance?

[Satarov] Well, this troika that is customarily mentioned. It is not by chance that precisely these people are named, this is a result of a selection of sorts, a certain overall qualification. Apart from Lebed, these are, of course, Luzhkov and Chernomyrdin.

[Tregubova] And that is it?

[Satarov] For the time being, yes. But this does not mean that the situation will remain unchanged in two or three years' time. Maybe someone else will also emerge.

[Tregubova] You say "in two or three years' time." Do you expect early presidential elections, before the date set by the Constitution?

[Satarov] No! I simply want it to manifest itself earlier so that the elections will not have to be prepared with three months to go before the poll.

[Tregubova] And when is Boris Nikolayevich inclined to hold the next presidential elections?

[Satarov] Generally, as practice has shown, Boris Nikolayevich is inclined to hold everything on schedule as provided for in the Constitution. I hope that this has already been proven experimentally.

[Tregubova] Is the president feeling well?

[Satarov] Currently, of course, not as well as he was in May. Undoubtedly worse. This is obvious, this is clear. But he is in perfect intellectual and psychological shape. I would even say that I have not seen him in such outstanding intellectual shape in a long time. But that he feels tired — this is absolutely certain. Of course, he needs to have a rest, to recuperate.

[Tregubova] But are you sure that nothing irreparable is happening to president's health, that he will not be incapacitated in the near future, that he will not take to his bed, and that he will not have to move his residence to a hospital permanently?

[Satarov] Please, tell me, are there now, after the elections are over, any contraindications against taking the president to the Central Clinical Hospital, not Barvikha, if he had anything serious? I do not see them either! Presumably there might have been before the second round. But now that he is simply on vacation — if it was something serious, he would of course have been at the Central Clinical Hospital under the doctors' intensive surveillance.

[Tregubova] And has the president himself touched upon the subject of his health during his meetings with you?

[Satarov] No. In fact, usually he discusses it when everything is already over.

[Tregubova] He considers himself sick then, doesn't he?

[Satarov] No, but this is plainly evident! Yet, it does not belong to a category of such serious diseases as the heart or something similar which requires hospitalization.

[Tregubova] But to what category does it belong?

[Satarov] This is tremendous weariness. Just recall his election campaign! Imagine yourself, young and energetic, in his place! After all, he is an aging man, there is no denying it, it shows! But when I talk about his perfect intellectual shape, I really mean it. When we, a whole headquarters, came to him after the election — he congratulated us, we congratulated him, and so forth — he shared with us his reflections on his previous presidential term, mistakes, the election campaign, the next presidency, how he should work. And this reflecting aloud so coincided with what we were thinking that I was astonished. No, he is in formidable intellectual shape, without doubt. But as for his physical shape... It probably takes two months or so to recuperate after such stresses. What he needs is only calm and rest.

[Tregubova] You say that the president is "in perfect intellectual shape." How could it happen then that the people who essentially won his campaign had been dismissed from all their government posts a few months before that? Chubays and Filatov, for instance.

[Satarov] Well, here we are intruding into a very sensitive area, the motives behind presidential actions. You can only engage in guesswork. I suggest that we make, for instance, the following guess: Some time after Chubays' resignation a fairly formidable attack was mounted on the State Property Committee and on privatization, wasn't it? But Chubays was no longer there! That is the trick! But this is only information to reflect upon. "After" does not necessarily mean "because of." I really do not know the real motives. But such a maneuver, for instance, cannot be ruled out. As for Filatov, I think it was an absolutely different matter. The president (I presume) was actually looking for ways to improve the work of his administration. The thing is that Filatov is more a politician than a manager. This is his quality: He is better at politics than at management. In my view, this also affected his work. So the president was looking for options to change this situation, to improve a purely administrative, bureaucratic quality of work. An attempt was made to achieve that with Yegorov's assistance. In my judgment, it was not very successful. The next step precisely in that direction, toward creating an effective administration, was Chubays. I think this is an admirable step.

[Tregubova] Where do they pick people for the new presidential team? Do they come basically from

Yeltsin's electoral headquarters? Or can we expect, let's say, "Lebed's recruits" to emerge in the Kremlin?

[Satarov] This is unlikely. I doubt it. Maybe there will be some isolated additions, and that not on the basis of their personal loyalty, but in the event that a good professional happens to be among them who can clearly tackle some problems or other. Then, God speed him. But I think that the main source of renewal will, of course, be the headquarters.

[Tregubova] Despite what you have said about the need for a system of checks and balances with regard to Lebed, your last words indicate that Lebed is a weak figure in the Kremlin. Did I understand you correctly?

[Satarov] Far from it. Simply speaking, if this system is to work, we may not dilute everything so much.

[Tregubova] What do you mean "dilute"?

[Satarov] Well, simply to stage an expansion of the Security Council into the administration. The balance could be upset. Or so it seems to me.

[Tregubova] What will be Viktor Ilyushin's fate — will he remain an active player on the presidential team? If yes, where — at the Kremlin or at the White House?

[Satarov] Now he has more chances to move to the White House. But undoubtedly on the presidential team. And, of course, as a starting, not a substitute player. Can you imagine a person who has played so much on the team to be suddenly left out...

[Tregubova] Will this be that same post of first deputy prime minister about which everyone is talking?

[Satarov] Possibly. But nuances have yet to be finalized.

[Tregubova] You have repeatedly said that for you personally the president guarantees the retention of a certain, special atmosphere in the Kremlin which alone enables you to work there. In the troika of presidential candidates you have mentioned, is there a person under whom you could work?

[Satarov] It is difficult for me to compare. Among them, I know better Luzhkov and Chernomyrdin, of course, because I have had to communicate with them. Yet this is personal communication, not some joint, consistent work. I have been satisfied with the way we get along personally. But as for work... For this to be learned you need to get down to it, you know, in order to compare in earnest. As people, I like them.

[Tregubova] Whom do you like best?

[Satarov] It is hard to say. Each has his own advantages. I would not create a hierarchy here. Maybe because I have little information for that. Little experience.

[Tregubova] Do you think Boris Nikolayevich has already chosen a person on whom he could rely and to whom he could turn over the helm?

[Satarov] No, I do not think so. Let me explain why: The thing is that this is an extremely important political decision. He, Boris Nikolayevich, carries in himself even much less significant things for much longer periods. For this reason — as far as I know his manner of hatching decisions — it is simply too early.

[Tregubova] You have mentioned that, having already won the presidential election, the president shared with you his views regarding his past mistakes. What mistakes does he frankly consider to be the most serious ones?

[Satarov] Specific decisions. Chechnya, for one.

[Tregubova] Does the president have any argument so as to shortly dispel the feeling that his promise to restore peace was nothing but an electoral maneuver?

[Satarov] In fact, if you perform a very simple task — draw a chart on the basis of news agency reports: the first day after the meeting with Yandarbiyev in Moscow, the second, third day, and so forth — it will become plainly clear that there was no actual easing of tensions in Chechnya even before the election.

[Tregubova] That is, it was only an electoral effort to create an impression that tensions are easing?

[Satarov] No! No! You should not confuse two things: The president, roughly speaking, announced a competition to search for any political ways out of this impasse long before the presidential and even the parliamentary elections. That he managed to achieve something exactly before the first round of the presidential elections — it is simply his good luck. Good luck from the point of view of both the election campaign and the chances for a political settlement. I assert the following: The president was absolutely sincere when he was searching for a political solution to the problem. This was bound up not with the elections alone. But what actually happened next? Have our boys been killed after the talks with Yandarbiyev? They have. Have they refused to return our POW's? They have. Have we withdrawn our troops or haven't we? You should simply take the text of what was agreed upon with Yandarbiyev and then everything will be clear.

[Tregubova] This is precisely what Yandarbiyev has done: He took the text of this agreement and made an appeal to international organizations the other day, saying that the federal side does not comply with its provisions.

[Satarov] Right! But hold on, on their part these provisions were no longer complied with the very next day. They started to renege on the agreement earlier than the federal side. Let us recall another thing: Now everyone is surprised as to why Lebed has changed his stance on Chechnya. The first trivial explanation is as follows: "Why? Like all politicians, he lied before the election, but then he gave it up, that is it." But there is another explanation, and he himself could confirm it: He has simply sorted out for himself what is going on over there. My, he does not look like a brazen, deliberate liar! Right? He doesn't, does he?

[Tregubova] But did the president himself appear to you as "a brazen, deliberate liar" when a few months ago he was earnestly telling journalists about "snipers" around Pervomayskoye and also in many other similar situations?

[Satarov] Okay. Then if we go back to Lebed, this is tantamount to the following assertion: Lebed has changed his stance on the basis of inaccurate information. Yes, this information can be inaccurate. Yes, that's right. But Lebed is in a position and he has the qualifications that enable him to assess the accuracy or inaccuracy of this information. It is for this reason that he is going to Chechnya. In order to see for himself what is going on there on the ground and so forth.

[Tregubova] Do you mean that the channels of inaccurate information on whose basis the president formerly made statements that did not square with reality have now been cut?

[Satarov] They have been cut together with the people.

[Tregubova] Do you mean that it all should be blamed on Barsukov and the others who were fired recently together with him?

[Satarov] That the aforementioned people pushed disinformation — this is an obvious fact for me. As for who was engaged in it apart from them — it is hard for me to judge. The reason is that for that you have to know all the information, to have access to the entire information flow. Meanwhile, it is the president alone who has access to the entire information flow.

[Tregubova] How did it come about that the president acted on the basis of this "disinformation"?

[Satarov] You should recall when it happened — it was a very tense moment, when due to the intensity of the goings-on local information channels were monopolized. Meanwhile, the time gap between receiving information and decisionmaking often measured not in days, and not even in hours, but in minutes. Here purely subjective factors come into play. Let's say: "Do you personally trust the person who supplies this information to you?" The president did trust them. Second: "Do you want it to be this way?" Yes, you really want everything to proceed well, smoothly, and in a well-organized fashion. Third: "Do you or don't you want to share this with others?" Yes, you want everyone to be sure that everything will be okay. At such moments precisely these subjective factors were at work.

[Tregubova] For what purpose did the persons "whom the president trusted" "push disinformation," as you put it?

[Satarov] I think that there were also subjective factors there: A commonplace, everyday fear; they were afraid to tell the unpleasant truth. In short, they didn't have the guts. Every normal person lies sometimes because he convinces himself that this is not a lie and that "it will finally come out all right by itself." The simple reason is that at this level the price of these lies, this commonplace everyday fear, which is typical of ordinary people, is absolutely different. It is more visible and its consequences are much more serious. This is human nature.

[Tregubova] Then it is quite likely that at present, too, there might be someone who hasn't got the guts and who, even if out of everyday fear, supplies inaccurate information to the president?

[Satarov] It seems to me that Chubays, for instance, is not a person afraid to tell the truth.

[Tregubova] But he does not deal with Chechnya, for instance.

[Satarov] This makes no difference. He is one of the information conduits. Let's say, some portion of analytical information on various problems will naturally pass through him as the chief of staff. I also think that such a person as Rodionov is not inclined to lie either. He has proven that he is... a man.

[Tregubova] When did he prove that?

[Satarov] Including at the First Congress of People's Deputies.

[Tregubova] What do you mean?

[Satarov] At the moment when he did not attempt to shift the blame for Tbilisi onto others.

[Tregubova] That is, he protected Gorbachev?

[Satarov] Not really, he simply showed himself as a normal sort of man.

[Tregubova] Do you forecast a genuine settlement in Chechnya over the next few months?

[Satarov] I have a rule: Regarding a problem for which I am not responsible I have just a little more information than you have.

[Tregubova] But can't you simply ask the president: When are we finally going to call it quits in Chechnya?

[Satarov] Well, in principle I can ask him that, that's true. Yet I have not yet tried to raise the question in such a modality. But I personally think that something could change in Chechnya in the matter of a month or two.

[Tregubova] Could you specify the vector of change you are referring to — is it planned to start talks or to completely destroy the enemy?

[Satarov] The essence here is not complete destruction, but coercion to peace. An attempt to drive them yet again into such circumstances where the enemy will be forced to search for a political solution. I think that the tactic of coercion to peace by force will continue.

[Tregubova] On the eve of the elections you said — in response to Communist allegations of the authorities' plans to rig the elections — that documents exist about the training of illegal armed formations, a "Red brigades" of sorts, by the Communists. Now, after the elections, you have not said a single word about them. How should this be interpreted — did you mislead the press at the time or are you currently covering for the Communist Party's thugs?

[Satarov] First, I did not mislead anyone if only because they would have sued me had this been disinformation. Meanwhile they, of course, have not done that. Second, what I was saying differed somewhat from what you have just cited. I said "Communists and their colleagues in the national-patriotic bloc." The formation of such volunteer detachments was in fact under way. There is evidence that neatly proves that. But there is a problem of legal action here. The reason is that the line between illegal armed formations and some gatherings of people that are potentially dangerous to society is very blurred. Long before the election Krasnov and I visited the FSB and discussed there in detail the legal framework for that, trying to clear out what stands in the way. This is actually a legal problem. There is a long way to go from the fact that a certain group of retired officers holds meetings in an oblast capital to criminal legal action against them, you see? Just imagine: Young people gather, wearing fairly strange uniforms and doing strength-building exercises. What can they be charged with? Nothing. But this does not mean that we will let them get away with it. There is a corresponding presidential edict. Those who fail to enforce it will be called to account.

[Tregubova] What edict do you have in mind?

[Satarov] You remember an edict on the struggle against political extremism issued in late 1994, don't you?

[Tregubova] When can its enforcement be expected to begin specifically?

[Satarov] We planned to begin even before the elections, but then we opted against it. We decided that this would be not very appropriate. The reason is that the democratic press, among others, could have interpreted that as persecution of political rivals with whom you are competing in the elections. "Misuse of office."

[Tregubova] Are you certain that this will not be interpreted this way after the elections?

[Satarov] No! If everything goes according to the law, then I beg your pardon! The only problem is inaction. We should put an end to the inaction of the law-enforcement agencies. The press, for instance, has violated this law on a huge scale. I mean everything that is published in all these TUSHINOs [Moscow-based PULS TUSHINA nationalist paper]. They are full of direct violations! We have collected this information. We have cooperated with the public who walk around cities, buy these papers, and take notes. Of course, we will come to grips with that.

[Tregubova] Do you have "supreme authorization" to start these actions right away?

[Satarov] Is this your personal question to me or do you ask it on behalf of your readers?

[Tregubova] This is my personal question to you, the answer to which will be reported to our readers.

[Satarov] Then I will say nothing.

[Tregubova] Do you expect a fierce confrontation with the Communists in the local elections, as they themselves have promised?

[Satarov] At least I can promise you with 200-percent certainty that we of course will not idle about as we did before the presidential elections. This is for sure! Nor shall we let things develop as they might. This will be an objective that we will be approaching just as seriously as we approached the presidential election. And we have already made a start.

Possibly this work will be supervised by Kazakov, whom Chubays has currently invited to be his deputy.

[Tregubova] Tell me, by what means do you expect to win over the regions? Will you give large sums of money to the governors? Or will you on the contrary give nothing, proceeding from Boris Nemtsov's theory that "precisely those whom Moscow had given more than others set it up"?

[Satarov] By the way, Nemtsov was right in saying so. But there is an element of false correlation here. Simply speaking, as a rule, those who are most greedy for fund transfers are precisely the regions of a certain, nonpresidential sort, to put it mildly. But I know that it is not the economic factor that matters most in an election. The most important factor is sociocultural.

[Tregubova] Then will you tour the regions to raise the level of culture there?

[Satarov] The level of culture cannot be raised within a few months. I mean that this choice is a sociocultural, not an economic, phenomenon. There is no such dependence — "Wherever the economic situation is better they vote for the government; where it is worse, they vote for the Communists." There is nothing of the kind. As for the technology of working with the regions, I will not disclose it, with your permission.

[Tregubova] You said on the night of the elections that you would not disband the Duma. Have you not changed your mind? Do you not think that, let's say, a Duma that has exceeded its budget is more trouble than it's worth?

[Satarov] Democracy in general costs a pretty penny. One dictator with a small entourage without any parliaments or courts, of course, would be much cheaper. This is obvious.

[Tregubova] And what about Boris Nikolayevich, does he not have an inward feeling that he is the president for whom a major part of the electorate has just voted, while the Duma, which was elected fairly long ago, is in a different league?

[Satarov] I do not know about an inward feeling. I know nothing about it! I can more or less answer for my inward feelings — and even at that not for all of them. And there you are, asking me about such a complex person as our president! I do not know: I have seen no traces of such feelings.

[Tregubova] Do you think that the current Duma will exist as long as provided for in the Constitution? And that the president will not wish to use constitutional means to part company with the current deputy corps?

[Satarov] I know that the Communists plan to exploit these constitutional means so as to give the president an opportunity to dissolve the Duma. There are such plans. But not now, later. This is an absolutely specific plan: They will currently approve Chernomyrdin's candidacy. They will certainly approve him despite all this talk that he should first submit to them this and that... This is all for the sake of appearances. Of course, they will approve his candidacy because this will make it easier for them to make complaints afterward. The objective economic situation is a difficult one. It can be compounded unless some serious measures are taken. They expect that in the fall, in October-November, they will have the opportunity to stage a government crisis so as to allow the president to dissolve the Duma. Then there will be an election in January-February, and they will win even more seats in this poll. This is approximately what their plan boils down to.

[Tregubova] Do you think that it can be realistically fulfilled?

[Satarov] One cannot rule out such a turn of events. As for whether it is realistic, this will be determined by the fact that the Duma is not alone in nature and that there is the president and the government apart from it. They will probably, in turn, take their steps.

[Tregubova] Do you have a "counter plan"?

[Satarov] Yes, of course.

Russia: Chernomyrdin To Keep Zaveryukha, Khlystun in New Government

LD0208181496 Moscow Radio Rossii Network in Russian 1600 GMT 2 Aug 96

[FBIS Translated Text] Russian Prime Minister Viktor Chernomyrdin intends to keep Deputy Prime Minister Aleksandr Zaveryukha, also in charge of the agro-industrial complex, and Viktor Khlystun, minister of agriculture and food, in the new government, Chernomyrdin announced at his meeting with representatives of the group of the Agrarian Party deputies in the State Duma in Moscow today.

Russia: Seleznev on Constitutionality of Yeltsin Nominating Premier

LD0208133396 Moscow ITAR-TASS World Service in Russian 1241 GMT 2 Aug 96

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[FBIS Translated Text] Moscow, 2 Aug (Itar-Tass) — Today, State Duma Chairman Gennadiy Seleznev told correspondents that he hopes Russian President Boris Yeltsin will nominate a prime minister before his inauguration.

Gennadiy Seleznev believes that nominating a prime minister before the inauguration of the reelected president is not contrary to Constitutional norms. The chairman of the house made it clear that he would have liked to discuss the timeframe for submitting the nomination to the Duma with Boris Yeltsin personally.

Russia: Lebed Calls Chechen Peace Accord 'Strange'

LD0408132596 Moscow 2x2 Television in Russian 0700 GMT 4 Aug 96

[FBIS Translated Text] Security Council Secretary Aleksandr Lebed finds it strange to make agreements which result in people dying and military operations continuing.

[Begin Lebed recording] There are military operations in Chechnya. The agreement has been violated. I have already said, as you have said, that according to final reports a total of 73 people have been killed in Chechnya and 367 have been injured — Defense Ministry and Interior Ministry servicemen. This is a strange peace agreement. [end recording]

Russia: Lebed Unlikely To Visit Chechnya in Near Future

LD0308180396 Moscow NTV in Russian 1500 GMT 3 Aug 96

[From the "Segodnya" newscast]

[FBIS Translated Text] [Announcer Mikhail Osokin] Aleksandr Lebed, secretary of the Security Council, made an unexpected public appearance in Moscow today. No sooner had journalists reported that the general had disappeared off the stage, he approached the press to make several interesting statements.

[Unidentified correspondent] [video shows visit to barracks] Lebed does not intend going to Chechnya in the near future because he does not yet have a specific program to solve the crisis. The secretary of the Security Council accompanied Moscow Mayor Yuriy Luzhkov on a visit to a garrison of army builders near Zelenograd, outside Moscow. The edict on putting Moscow in order signed by the president after the election was initiated by Lebed and backed by Luzhkov. There had been plans to open a filtration center in these barracks for tramps, who have been flooding the capital of late. The Moscow Internal Affairs Directorate believes that about 15,000 bomzhi [persons of no fixed abode] now live in the city. Militia cells are designed to hold only 400 homeless people. The Moscow [municipal] government is looking for somewhere to build something between a prison and rest home for the homeless. These people could receive food and medical help there plus a ticket to wherever they have a home.

Far from every tramp is a criminal. Luzhkov does not agree with those who claim that war has been declared on the capital's homeless.

[Begin Luzhkov recording] They say we are fighting against bomzhi. No, we want to work with bomzhi, on a civilized level. This is a category of people in itself. They have a psychology all of their own. They have their own philosophy, if you like. I think they want to work. We should try to understand this category and consequently ensure that they are taken out of these basements and attics and put in places acceptable to them — and acceptable to society and the city. [end recording]

[Correspondent] After a short meeting in the soldiers' club Luzhkov decided to build the filtration center in a different place in order not to alarm the inhabitants of Zelenograd, who were on the point of holding a demonstration and march to show their hostility to the idea of having bomzhi as neighbors.

There are quite a few unfinished pioneer camps and health resorts around Moscow that are far removed from large towns. We don't yet know which of them will catch the eye of the capital's government but, knowing the persistent character of Luzhkov, one can be sure that Moscow's tramps will soon be throwing a housewarming party. As for the barracks of the regiment of army builders, soldiers of the Moscow District Interior Troops will be moving in.

Russia: Mikhaylov, Stepashin To Fly to Chechnya 3 Aug

LD0208133596 Moscow INTERFAX in English 1237 GMT 2 Aug 96

[FBIS Transcribed Text] MOSCOW, August 2 (Interfax) — Russian Minister for Nationalities Vyacheslav Mikhaylov and Executive Secretary of the State Commission for Chechen Settlement Sergey Stepashin are to fly to Chechnya's capital Groznyy tomorrow.

Announcing this at a news conference in Moscow today, Stepashin voiced hope that contacts with Chechen separatist leaders will be continued.

He also reported that he had discussed with U.N. Ambassador to Russia Christopher Carpenter today ways of giving humanitarian aid to Chechnya. According to the executive secretary, last year the United Nations provided $22 million worth of humanitarian relief for the worst hit parts of Chechnya. This year, the United Nations has donated $11 million dollars, Stepashin said, adding that most Chechen refugees have returned to their homes. He said he and Carpenter discussed ways of directing humanitarian aid from Ingushetia and Dagestan right into Chechnya. "This least of all means any U.N. meddling in the situation in Chechnya," Stepashin said.

Asked about "the resurrection" of hardline separatist commander Salman Raduyev and separatist leader

Dzhokhar Dudayev, Stepashin said that this was "a problem above all for the current leader of illegal armed units Zelimkhan Yandarbiyev and his entourage." At the talks in Nazran, separatist negotiators have repeatedly stressed that "terrorism is inadmissible and have pledged to forego such actions," Stepashin said.

Asked by Interfax to comment on allegations that Raduyev and Dudayev are alive, Russian Nationalities Minister Vyacheslav Mikhaylov said that these stories are part of a "mythopoeia" traditional for the North Caucasus, Chechnya included. Rumors that Raduyev and Dudayev have risen from the dead are an attempt to rally the population again "around the banner that Dudayev was fond of waving." Such attempts indicate that "instead of growing, the opposition's social support is shrinking," Mikhaylov said.

For his part, Stepashin stressed that even if Raduyev and Dudayev are alive, their resurrection "will have no effect on the talks between the federal authorities and the Chechen separatist leadership."

Russia: FSB Head's 1 Aug Press Conference Reported

MM0208160296 Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 2

[Report by Andrey Sharov on 1 August news conference given by Russian Federal Security Service Director Nikolay Kovalev: "International Hunt for Terrorists Declared"]

[FBIS Translated Text] There are over 500 different formations which the special services categorize as terrorist formations in the world today. Terrorism has turned into one of the main threats to the security of the world community. This was the subject of a meeting Nikolay Kovalev, Federal Security Service [FSB] director, held with journalists.

[Journalist] Nikolay Dmitriyevich, could you give me a brief summary of the Paris conference?

[Kovalev] Until now our cooperation has mainly been bilateral. Between Russia and the majority of the major states there is a legal-treaty basis for joint antiterrorist activity. At the Paris meeting a relevant agreement was also reached with the French special services. But in the future we are nevertheless hoping that such cooperation will become multilateral.

[Journalist] What impression did Russia make at this meeting?

[Kovalev] By and large our participation in this conference is a great success for Russian diplomacy. We have strengthened our position in the "G-8," proving once again that no serious question can be resolved without Russia's participation.

Practically all the proposals made by our delegation were not only approved, but formed the basis of the agreements that were signed. Thus the decision on technical antiterrorist cooperation was adopted on our recommendation. This is very important, since the pooling of intellectual potential will enable us to substantially reduce material expenditure.

[Journalist] What assessment was made of Chechen terrorism at the Paris meeting?

[Kovalev] It was quite unequivocally pronounced to be international terrorism. This means that the world community is refusing to support the Chechen gunmen or supply them with weapons and means of communication. They will not be granted political asylum, and if Chechen terrorists are discovered in other countries they will be extradited to Russia.

[Journalist] Did the conference make an assessment of the Russian special services' antiterrorist activity?

[Kovalev] The work of the Russian special services in this sphere was deemed very effective. This year we have managed to avert the majority of terrorist acts which would inevitably have led to loss of life.

Unfortunately, a few bombs have nevertheless gone off. We consider these to be omissions on our part. Although, to be quite honest, not everything depends on us.

[Journalist] What comment could you make on the information about the involvement of Chechen field commander Ruslan Khaykhoroyev in the explosions in Moscow and Nalchik?

[Kovalev] The "Chechen connection" is one theory currently being examined by the investigative group. I can state absolutely reliably only that Khaykhoroyev engages in active sabotage activity on the territory of Dagestan and North Ossetia for the purpose of drawing these republics into the conflict and is waging mine warfare actually in Russia. Naturally, we are taking appropriate, adequate measures.

Incidentally, we have established the complicity of Khaykhoroyev's gang in the murders of two St. Petersburg journalists, the well-known public figure Fred Cuny, and also the female interpreter and the physicians who were accompanying him. There is documentary confirmation that they were shot. These people's bloodstained clothes and documents have been found.

[Journalist] What can you say about the possible "resurrection" of Dudayev?

[Kovalev] We have long known that doubles of Dzhokhar Dudayev were being prepared. Several groups of separatists expressed such an intention. I do not believe in his so-called resurrection. Ultimately what does it matter? Does it really matter whether Salman Raduyev and Dudayev are alive or not? The Chechen war is our common pain. There can be no victors and vanquished in it. Our chief task is to end the combat operations as quickly as possible.

[Journalist] Nikolay Dmitriyevich, now a question that is somewhat distant from our theme. Information has emerged that the threads of corruption in Russia lead to the very top echelons of power. Is this actually so? Do sensational trials await us in the immediate future?

[Kovalev] Certain politicians are constantly egging us on to make new exposes. There must be just one criterion for the security organs — the law. If we plan exposes, we will become a tool of political activity. Although objectively, of course, we are in opposition to the government, because we work among those who wield real power and who are able to adopt a decision.

A number of criminal cases have already been instituted and are being investigated. Unfortunately, and I have no wish to hide this fact, there are also cases which will soon become criminal cases.

Russia: Communist Parties Meet To Discuss Differences

LD0308204296 Moscow NTV in Russian 1500 GMT 3 Aug 96

[From the "Segodnya" newscast]

[FBIS Translated Text] [Announcer Mikhail Osokin] Russia's Communists were today engaged in new talks with one another. They are clearly trying to smooth over their disagreements ahead of the congress of opposition forces.

[Unidentified correspondent] [video shows delegates assembling] One hundred Communists from 22 parties from all over the former Soviet Union got together in a place they hold sacred — Leninskiy Gorki [outside Moscow] — to talk about closing ranks. The meeting was described as a plenum of the council of the union of Communist parties of the Communist Party of the Soviet Union [KPSS]. The creation of a popular patriotic movement in Russia and the involvement in it of all the forces of the left were at the top of the agenda. The idea of creating a united opposition got a positive response on the whole. But full agreement is still a long way away. Viktor Tyulkin, fighter for the rights of the proletariat and leader of the Russian Communist Workers' Party [RKRP] was once again rocking the boat. In his opinion, the movement being set up by Gennadiy Zyuganov is guilty of right-wing tendencies and fails to appreciate the class approach. Tyulkin sets a whole range of conditions for joining the popular patriots.

[Begin Tyulkin recording] We will make every effort to ensure that this is a movement that fights for socialism and Soviet power. If we succeed then we will be delighted to join this bloc and it could be that we will be the ones to tackle the hardest tasks facing the bloc. [end recording]

[Correspondent] Tyulkin is not alone in his stubbornness. Many leaders of the left understand very well that the hammer and sickle are capable of frightening off non-Communist patriots and thus hinder the creation of a united opposition. However, they don't believe it necessary to waive their principles.

[Begin Yegor Likachev recording, identified by caption as deputy chairman of SKP-KPSS [expansion of SKP unknown]] There are forces who are pushing for the party's — the Communist Party's — name to be changed, for its program and statutes to be changed. In my opinion, that is complete madness. Communism and the communist idea can only die when humanity dies out. [end recording]

[Correspondent] In contrast to his left-wing comrades, Zyuganov himself is highly flexible. Remembering his defeat at the presidential election, he is trying not to overdo communist rhetoric and proposes putting the stress on age-old Russian traditions.

[Begin Zyuganov recording] Russia was created as a state largely on the basis of Russian Orthodox ideology and Russian Orthodoxy has played a huge role in the spiritual renaissance and nurturing of our fatherland. Therefore we are taking all the best from our 1,000-year history and all the best from world experience. [end recording]

[Correspondent] According to the leader of the Communist Party of the Russian Federation, the creation of a popular patriotic alliance is going well and will obtain its logical conclusion at the constituent congress on 7 August.

Zyuganov is meekly silent about disagreements with the radicals and he expresses the hope that he will be supported by every decent person in the Communist movement.

Russia: Details of Chubays' New Deputies Reported

LD0408220596 Moscow NTV in Russian
1700 GMT 4 Aug 96

[From the "Itogi" program, presented by Yevgeniy Kiselev; passages contained within quotation marks are recorded]

[FBIS Translated Text] [Kiselev] It seems that it is not only the government that has got to sort out the power workers' crisis in the Maritime Territory, but also President Boris Yeltsin's new administration. Its head, Anatoliy Chubays, has become the main hero of all the more serious political commentaries this week. The attention of the Moscow intelligentsia was drawn in particular to Chubays' firm step to remove from the inauguration ceremony on 9 August, in other words the program for the inauguration of the president, an ode penned by some unknown poet. The text of this ode has become a favorite topic for exercise by the wits of Moscow who have already compared it to Kalinka. But, if one wants to be serious, then a noteworthy step by the president in the shaping of his new team is the appointment of Chubays' new deputies, the new deputies of the head of administration.

The selection of Chubays' deputies shows that a new generation of executives is coming to Staraya Ploshchad, young, ambitious people, knowledgeable in business and management, with experience of the work of officialdom. One of the first to be appointed deputy head of Yeltsin's administration was Aleksandr Kazakov. Like Chubays, Kazakov was formerly head of the State Property Committee, and dealt with the organization of tax auctions, which brought billions of dollars to the state budget. Kazakov, in the opinion of officials who worked with him, is very well known by the majority of governors who know his strong and weak sides, and, more importantly, the levers of pressure on regional leaders.

Yuriy Yarov, another of Chubays' deputies, will compile work schedules and organize President Yeltsin's meetings. Formerly, this work was undertaken by his former first aide Viktor Ilyushin, one of the most prestigious members of Yeltsin's entourage, who will most probably switch to governmental work. As sources in Viktor Chernomyrdin's entourage confirm, Yarov increased his influence on Yeltsin after he successfully carried out a number of programs at the president's pre-election headquarters.

Another of Chubays' deputies, who has come from the government, is Maksim Boyko, former general director of the Russian Privatization Center. A gifted economist and administrator, who in 1992 and 1994 was the main economic advisor of the State Property Committee, and who dealt with voucher privatization, Maksim Boyko, like Chubays, has a reputation for seeing through to the end any task given to him. In the president's administration Maksim Boyko was instructed to organize cooperation between the presidential structures and political parties.

It is significant that Aleksey Kudrin, who until recently was deputy mayor of St. Petersburg for economic issues, has been appointed head of the control administration of Boris Yeltsin's administration and, simultaneously, another of Chubays' deputies. Kudrin is faced with a heavy responsibility — controlling the budget expenditure that Moscow will transfer to the regions, and to monitor the progress of economic reforms in the regions.

At the same time, Anatoliy Chubays, the new head of the presidential administration, stresses that despite the abundance of professional economists, the activities of Staraya Ploshchad will not lay claim to the role of some kind of parallel government.

[Chubays] "And if we now try to create a second government and to adopt decisions on economic and financial questions, this will be complete disorganization. That will not happen. That will not happen. Here, in the president's organization, at a presidential level, it is first and foremost political questions that must be tackled; in other words, those I have been telling you about. However, it is not difficult to realize that all the issues I have been speaking about have not until now been tackled in one single state structure. But that they must be."

[Kiselev] It is precisely a political role that Chubays' deputy for personnel matters, Yevgeniy Sevastyanov, will fulfill. Former head of administration of the Federal Counterintelligence Services for Moscow and Moscow Region, and then advisor of the Federation of Independent Trade Unions of Russia, Sevastyanov will be responsible for work with cadres, and acting on information from the Kremlin, will also be in charge of the special services.

We recall that Yevgeniy Sevastyanov was removed from his post in the Federal Counterintelligence Service after he tried to stop officers of the president's security services who had sealed off the Moscow mayoral office building on 2 December 1994. It is precisely cadre tasks that Chubays believes to be the main ones in the work of the presidential administration.

[Chubays] "It is most unfortunate that it so happened that we still have been unable to organize the systematic, painstaking, and professional work on the selection of state cadres. I think that this is partly due to objective reasons, for example, the situation I have been talking about when we have been faced in two months time, or four months time, with referendums, elections, impeachment or something else, other reasons maybe. But it is perfectly clear that in the state, in the Russian state, work on the selection of top civil servants must be carried out on an absolutely professional, legal basis, and it is the president's administration first and foremost that must undertake this task, because we are talking about a political task at presidential level."

[Kiselev] So far the head of one other key area in Yeltsin's team has not been determined — the person who will be responsible not only for communicating with the media, but for shaping public opinion as a whole on the activities of the head of state. Chubays also believes this task to be a priority one.

[Chubays] "There is one other most important area of work that must be sorted out in the president's administration, and that is on explaining what the president is doing, what the state is doing, why this or that step has been taken, why this or that decision has been made, and for what purpose."

[Kiselev] The elections of heads of the regions, which start in September, are due to become the first trial of strength of the new presidential administration. The fate of more than one-third of the seats in the upper chamber of the Russian parliament and the political situation in over one-third of the regions of the country will depend on the outcome of these elections. Chubays is creating a special headquarters to take part in these elections, with its main purpose being to consolidate all the reformist forces in order to support single candidates.

[Chubays] "We categorically cannot allow a situation — which, incidentally, very often has happened in our country, and which has often led to unfortunate results where, to put it crudely, one Moscow boss replaces another, and the next one replaces him, and so on, and the whole process is completely disorganized from start to finish. This will nor happen; we will not allow it." [video shows extracts from Chubays' news conference, still photos of deputy heads, people casting votes in election]

Russia: Zyuganov Warns Maritime Situation Must Not Be Aggravated

LD0508120096 Moscow Russian Television Network in Russian 1000 GMT 5 Aug 96

[From the "Vesti" newscast]

[FBIS Translated Text] [Announcer Aleksandr Gurnov] The situation with the strike movement, specifically the situation in Maritime Territory, became a separate topic of discussion for leaders of the left-bloc opposition at today's news conference in the State Duma

[Begin Gennadiy Zyuganov recording, chairman of the Communist Party of the Russian Federation] [video shows Nikolay Ryzhkov seated on his left] I personally, for example, don't believe that the government is not capable of settling accounts with 15,000 miners, all in all only a single work brigade. If the situation in this region is aggravated there will be far-reaching consequences. A very big game is being played. The aim of the game — the further disintegration of the Russian Federation. [end recording]

[Correspondent A. Pishchayev] Nikolay Ryzhkov said at today's news conference in the State Duma that the mass strikes in Maritime Territory and the passiveness of the center shows Moscow's policy aimed at distancing the Far East from Russia. On the whole this meeting with journalists was devoted to the results of the latest — the fifth this month — sitting of the organizational committee for preparing the constituent congress of the so-called Union of Patriotic Forces of Russia movement. According to Ryzhkov, head of the organizational committee, 44 organizations have agreed to take part in the movement uniting the left-wing forces — 14 all Russian, 13 inter-regional, and 17 regional. The Communist Party of the Russian Federation, Agrarian Party, the Derzhava movement, Working Russia movement, and others.

According to Zyuganov's view, communist parties and non-communist orientated parties are living exceedingly well in this new public organization.

Russia: Shafranik Says Authorities To Prevent Maritime Energy Crisis

LD0508114496 Moscow INTERFAX in English 1118 GMT 5 Aug 96

[FBIS Transcribed Text] VLADIVOSTOK, Aug 5 (Interfax) — Russian authorities are set to prevent a new energy crisis in the Maritime territory, Minister of Fuel and Energy Yuriy Shafranik told Interfax in Vladivostok Monday.

Shafranik refuted speculations about a possible crisis in the Maritime energy production industry, saying the crisis of overdue payments rather than an energy crisis was to blame for the present situation.

Maritime miners and energy workers will begin to receive their back wages for the last four or five months on Monday.

The miners and energy workers had gone on strike, demanding their wages be paid.

Federal authorities and the Maritime territorial administration guaranteed the payment of 38.8 billion rubles to compensate for the difference in electricity rates and another 77.6 billion rubles to pay off the miners and energy workers.

For its part, the oil company Sidanko, responsible for the provision of the Maritime territory and the Far East with petroleum products, committed itself to ensure an uninterrupted supply of these areas with fuel, particularly with furnace fuel oil for heat power plants.

Sidanko has delivered 10,000 tonnes of petroleum products to the Maritime territory without any advance payments, Sidanko President Anatoliy Sivak told Interfax. In addition, the company is ready to supply up to 120,000 tonnes of petroleum products to local enterprises for bills of exchange in reconciliation of mutual debts, he said.

Military Issues

Russia: Intelligence Generals Fear Rodionov's Visit Next Week

MK0308084396 Moscow NEZAVISIMAYA GAZETA in Russian 3 Aug 96 p 1

[Report by Igor Korotchenko: "GRU Officers' Fears"]

[FBIS Translated Text] Anxious expectation is what the officers and generals of the Russian military intelligence central apparatus feel before a visit to the headquarters of the General Staff Main Intelligence Directorate [GRU] by Russian Federation Defense Minister Igor Rodionov, planned for early next week. It has been caused by that Colonel General Rodionov, speaking in the Air Force Main Staff recently, came out for beginning the process of cutting the number of general-held positions in the Russian army from the GRU. In the meantime, GRU staffers think, this agency tackles strictly specific tasks, for which reason a rash and hasty breaking-up of its rather complex table-of-organization structure may have a negative effect on the quality of tasks being fulfilled and time needed to carry them out.

Russia: Ministers Pak, Urinson Attend State Conversion Fund Briefing

LD0308164796 Moscow Russian Television Network in Russian 1000 GMT 3 Aug 96

[Video report by correspondent A. Peslyak; from the "Vesti" newscast]

[FBIS Translated Text] [Announcer Sergey Dadyko] The State Fund for the Support of Conversion set up at the end of July is designed to keep afloat the high technology with the defense complex. However, as our correspondent managed to find out, here, too, there were serious problems.

[Begin recording] [Correspondent A. Peslyak] Why is it that the State Conversion Fund was set up only now and not in February as was promised? The minister confessed to Vesti that there had been too few budget receipts:

[Z. Pak, defense industry minister] Looking back, just so much money is available. That is all there is to it.

[Peslyak] Now the continuous financing of large conversion programs will be ensured by a separate budget item: 2 trillion rubles [R] a year and also by attracting investors, ours and foreign ones. Without encroaching on the defense order of the military-industrial complex defense order and the tasks of national security, the Conversion Fund will help in the development and production of peaceful technological output for transport, communications, and medicine.

By the way, in the past three years over one-third of the enterprises being converted in Russia have built up their capacities:

[Ya. Urinson, first deputy economics minister] Some 700,000 jobs were created. For R1 of credit funds, a increase in production capacities of approximately R5 was ensured.

[Pak] It is precisely in civil aviation that we see the maximum effect which it will be possible to obtain in the next few years.

[Peslyak] Just give us high-quality Ilyushin, Tupolev, and Yak planes and in addition a federal program for the conversion of shipbuilding and electronics, and here follows a conclusion in the spirit of dialectics:

[Pak] The defense complex is today being regarded even to greater extent, as far as its scale is concerned, as a source of the development of the state's economy. [end recording] [video shows Pak and Urinson at briefing for journalists and in brief interview with Vesti; archive footage of production of computer chips, a rotating engine, a pipe manufacturing line, civilian planes on the ground and in flight]

Russia: Kokoshin Leads Discussion on State Defense Order

MM0508101996 Moscow KRASNAYA ZVEZDA in Russian 3 Aug 96 p 1

["Own Information" report: "How the Defense Order Is Being Financed"]

[FBIS Translated Text] Andrey Kokoshin, Russia's first deputy defense minister, held a conference with the leaders of the League for Assistance to Defense Enterprises discussing questions of financing the state defense order, improving pricing policy in the defense industry sphere, and the establishment of benefits for defense industry enterprises. As a result of the conference a number of recommendations for the Russian Federation Government have been devised.

Taking part in the conference were: Aleksey Shulunov, president of the League for Assistance to Defense Enterprises; Yuriy Starodub, deputy minister of the defense industry; Colonel-General Anatoliy Sitnov, chief of Armament of the Russian Federation Armed Forces; senior officials of the Ministry of the Economy, the Ministry of the Defense Industry, and the Ministry of Defense; and representatives of trade unions.

Russia: Military Prosecutor Seen Cozying Up to Defense Ministry

MK0308114696 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 3 Aug 96 p 1

[Report by Iosif Galperin: "A Marriage With Dowry"]

[FBIS Translated Text] MOSKOVSKIY KOMSOMOLETS has already reported in yesterday's issue on a meeting at the General Prosecutor's Office devoted to a post-flight critique of its military branch. Now interesting details have trickled in that have not found their way into ITAR-TASS reports or press service commentaries. We shall leave the most juicy news for dessert and start with the most substantive ones.

First, statements were heard at the meeting calling into question the need for the very existence of the Main Military Prosecutor's Office [GVP]. In particular, Deputy General Prosecutor Katushev harshly criticized the current state of affairs at the GVP, which had manifested itself long before the parliamentary hearings at which GVP chief Valentin Panichev could not say anything substantive in response to charges by Lev Rokhlin and his colleagues. Panichev has no idea as to how to fight corruption in the Defense Ministry. Apparently, the reason for that is that, having outlived four general prosecutors during his four years in office, he has turned from a civilian "watchdog" overseeing the military into a trusted man in the halls of the Arbat Military District [mocking reference to Defense Ministry] and a colonel general.

Perhaps the GVP should not be disbanded, as was done in 1992. It would be wiser to render it fully independent from the agencies it oversees. Meanwhile, even the new law on the General Prosecutor's Office says directly that prosecutors get their pay from the Defense Ministry and other military formations over which they are supposed to keep watch.

By the way, another significant detail: GVP officers have not been paid for three months now, while their commanders, instead of launching an investigation into the spending of funds by the Finance Ministry and the Defense Ministry, whisper gloomily that nowadays everyone has to live from hand to mouth. Had they initiated an inquiry, many people might have benefited from that and the funds appropriated to the military and the prosecutor's office might have been found.

But what does the main military prosecutor care about that, if the next day after a meeting at which it was proposed effectively to relieve him of his post and which finally ordered an audit conducted into the GVP's overall activity — initially scheduled for October, it was postponed until January by General Prosecutor Skuratov so that his deputy could mark his five years in office — Valentin Nikolayevich [Panichev]... got married! He married his subordinate, an employee of the Military Prosecutor's Office Institute, who is raising an 18-year old son. Indeed, what does he care about the rest.

Federal Assembly

Russia: Duma Reluctant To Discuss Maritime Kray Situation

MK0308124196 Moscow SEGODNYA in Russian 3 Aug 96 p 2

[Article by Gleb Cherkasov: "Special Duma Meeting on Maritime Kray Is Unlikely"]

[FBIS Translated Text] State Duma deputies have been asked to interrupt their vacations on two occasions and come back to the chamber of plenary meetings. The first occasion for an early meeting has long been well-known: the Duma is supposed to take part in Boris Yeltsin's inauguration and then approve (or disprove) the candidacy of prime minister, proposed by the president. The occasion for the second extraordinary session can be the situation in Maritime Kray. The unregistered Russia's Democratic Choice [DVR] deputy group has begun gathering signatures under a corresponding statement. So far, Sergey Yushenkov's supporters have been able to collect 10 signatures (as many as there are members in the DVR Duma faction) out of the required 90.

State Duma Chairman Gennadiy Seleznev stated yesterday, however, that it is inadvisable to call an extraordinary plenary session specially to discuss the situation in Maritime Kray. Commenting on the deputies' idea, Mr. Seleznev said that "every such meeting is an exercise calling for big funds" while it is very hard to describe as fine the financial position of the lower house of parliament. At the same time, the speaker has nothing against discussing the problems of Maritime Kray miners and power industry workers at a planned extraordinary [as published] plenary session devoted to discussing the candidacy of premier. Gennadiy Seleznev pointed out that should the number of signatures required under the Duma set of rules be collected, "there is a possibility to include in the agenda the additional question." Thus, the issue may be resolved to mutual satisfaction; however, Viktor Chernomyrdin would hardly wish that the discussion of his candidacy should be attended by a discussion of the situation in Maritime Kray. This may affect the position of the NDR [Russia Is Our Home] faction, whose leaders have already aired their skepticism with regard to the Russia's Democratic Choice initiative.

Furthermore, Russia's Democratic Choice proposes to submit to the extraordinary session a draft law "On Special Economic Situations," one of the articles in which calls for tough sanctions against the heads of administrations down to their removal from office. Representatives of the former "party of power" can afford to thread on the regional leaders' corns — you can't bring back the old friendship anyway — but the current "party of power" is simply obliged to be friends with the heads of administration. Support of the Russia's Democratic Choice draft law may cost NDR very dearly, and the leadership of the movement quite realizes this.

Russia: Duma To Reconsider Chechen Amnesty Bill

LD0208203596 Moscow ITAR-TASS in English 2000 GMT 2 Aug 96

[By Natalya Kosareva, Nadezhda Anisimova and Gennadiy Yezhov]

[FBIS Transcribed Text] MOSCOW, August 2 (ITAR-TASS) — A draft resolution of the Russian State Duma on an amnesty of Chechen persons who voluntarily laid down their arms, will be considered again by the State Duma in the near future.

This was stated by Vladimir Zorin, Chairman of the State Duma Committee for Nationalities, at Friday's press conference at the Russian government headquarters.

According to Zorin, this draft did not pass at the second reading in the Duma in connection with doubts about the "sincerity of separatists to settle the conflict in a peaceful way after taking hostage of head of administration of the Leninskiy district Lyudmila Radimushkina."

Now, Zorin said that the draft resolution has been again agreed on with the leadership of the State Duma Security Committee and is prepared for submitting to the low house of the parliament for consideration.

Regional Affairs

Russia: Chechnya's Moscow-Backed Government To Resign Next Week

LD0308112096 Moscow INTERFAX in English 1103 GMT 3 Aug 96

[FBIS Transcribed Text] GROZNYY, Aug 3 (Interfax) — Chechnya's Moscow-backed government led by Nikolay Koshman will announce its resignation in a week's time, press secretary Ruslan Martagov told Interfax on Saturday.

"The government will be reshuffled qualitatively and quantitatively," Martagov said.

According to him, the resignation is connected with the recent elections to Chechnya's National Assembly, which will take part in forming the new cabinet of ministers.

Martagov believes that the head of Chechnya's Moscow-backed authorities Doku Zavgayev will recommend Nikolay Koshman as the new prime minister.

"There are weighty reasons for this," Martagov said. "Nikolay Koshman has proved to be an experienced and knowledgeable official enjoying respect in Chechnya," Martagov said.

Russia: Zavgayev Invites Opposition Into New Cabinet

LD0508092496 Moscow INTERFAX in English 0915 GMT 5 Aug 96

[FBIS Transcribed Text] GROZNYY, August 5 (Interfax) — Although Russian-backed Chechen head of state Doku Zavgayev has invited opposition representatives into a new Chechen Cabinet, the formation of which is to start shortly, he said that they need to be "morally" entitled for that.

Zavgayev told public activists in the capital Groznyy today that "those who have laid down guns and have come back to peaceful endeavors can even hold the post of prime minister in a Chechen government."

Saying that instead of "dividing people into hostile sides, they should be rallied around the idea of peace," he urged the opposition and all parties and movements in Chechnya to take part in the runoff elections to the republican People's Assembly, scheduled for August 25th in Chechnya.

He also emphasized that there is nothing more important for the republican administration than to prohibit any fighting in Chechnya once and for all.

Stressing that as head of state he "will no longer put up with the artillery and aerial bombardment of villages," he warned that "everyone guilty of conducting military actions will be severely punished."

This issue, Zavgayev revealed, will be discussed at 4 p.m. today when he meets with Konstantin Pulikovskiy, acting federal forces commander in Chechnya, Pavel Golubets, first Russian deputy interior minister, a military prosecutor, and commanders of the 101st Russian army brigade and of the 63rd battalion, and commandant of the Leninskiy District. It is the servicemen of these units that have breached the ceasefire in the most crude way as of late, Zavgayev said.

Russia: Split Reported in Leadership of Chechen Opposition

LD0508101596 Moscow ITAR-TASS World Service in Russian 0940 GMT 5 Aug 96

[By ITAR-TASS correspondents Alvi Karimov and Sergey Trofimov]

[FBIS Translated Text] Groznyy, 5 Aug (Itar-Tass) — Ruslan Martagov, press secretary to the head of the Chechen Republic, told ITAR-TASS today that Zelimkhan Yandarbiyev and Aslan Maskhadov's failure to respond to numerous insistent invitations to the negotiating table made by the State Commission for a Settlement in Chechnya could be explained by an intensified fight for leadership in the separatist government.

According to Martagov, it is obvious that some members of the government of the self-proclaimed "Republic of Ichkeria" and "irreconcilable" field commanders are trying to push Dzhokhar Dudayev's successor and the head of the main staff of the rebels away from the political scene.

ITAR-TASS also learned from an informed source close to the separatist leadership today that "Ichkeria's special department" arrested Khasan Khazuyev, deputy prime minister of the government of the self-proclaimed republic, and minister for trade Rosa Dzhabraylova. According to the source, "the prosecutor's office of Ichkeria" will probably accuse them of abusing their powers. Khazuyev and Dzhabraylova have been in Turkey until recently.

Russia: Udugov Rules Out Chechen Contacts With Russian Side

LD0408172396 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1623 GMT 4 Aug 96

[FBIS Translated Text] On 4 August Movladi Udugov, secretary of the State Commission for Settling the Russo-Chechen Military Conflict of the self-proclaimed Chechen Republic of Ichkeria, met Tim Guldimann, head of the OSCE mission in Groznyy, to discuss the possibility of resuming contacts with the Russian side.

Udugov himself told Ekho Moskvy Radio that he had set out the position of the Chechen side at the meeting. This is that "in the existing circumstances, the leadership of Ichkeria cannot agree to contacts with the Russian side since it risks becoming an accomplice in the bloody crimes being committed by the Russian army of occupation on the territory of Chechnya."

"We call on the Russian side to immediately end military and terrorist actions against the civilian population of Chechnya and meet its obligations under the Nazran protocol, punishing through joint efforts those on either side guilty of violating it," Udugov said. According to him, "since the resumption of wide-scale fighting in Chechnya on 8 July, 450 civilians, including 64 children below the age of 15, have been killed and more than 150 people seized and held in pits at the base in Khankala. Dozens of villages have also been destroyed."

Udugov stressed that "if the Russian side can approach the resolution of this problem honestly and constructively, the leadership of Ichkeria is ready to do everything to resume contacts. No alternative to the Nazran protocol exists for now, and it needs to be implemented."

According to Udugov, Guldimann will inform the Russian side of the official position of the leadership of the Chechen opposition on 4 August.

Russia: Mikhaylov Urges Direct Contact With Chechen Chief Maskhadov

LD0508081596 Moscow INTERFAX in English 0655 GMT 5 Aug 96

[FBIS Transcribed Text] GROZNYY, August 5 (Interfax) — Chief Russian negotiator in Chechnya Vyacheslav Mikhaylov in an interview with Interfax today blamed failure to resume settlement talks on the lack of direct contact with the Chechen separatist Chief of Staff, Aslan Maskhadov.

Reporting that until July 8th the Russian delegation was in touch with Maskhadov through Tim Guldimann, head of the OSCE [Organization for Security and Cooperation in Europe] Mission in Chechnya's capital Groznyy, Mikhaylov noted that after the interruption of contact with the opposition on July 8th, dialogue has only been maintained through the separatists' spokesman Movladi Udugov.

Mikhaylov voiced doubt that Russia's willingness to resume negotiations had been made known to Maskhadov.

Meanwhile, at a meeting with Guldimann last night, Executive Secretary of the State Commission on Chechen Settlement Sergey Stepashin voiced Russia's desire to cease fire in Chechnya even before the resumption of talks with Maskhadov, an Interfax correspondent has reported, adding that Mikhaylov also attended the meeting.

Noting that the Russian team has "the most extensive powers from the prime minister and defense minister," the Russian envoys asked Guldimann to urge separatists to cease fire and get down to negotiations without delay.

In an interview with Interfax after the meeting, Guldimann has welcomed the Russian side's readiness to move forward in line with the Moscow and Nazran accords.

But although Maskhadov has in principle agreed to meet with the Russian delegation, a number of obstacles to its early holding still remain, Guldimann said, voicing hope that the separatist leadership will make up its mind and will give a reply about the date of the meeting "within the next day or two."

The Russian officials are to meet with Chechen parliament members and public representatives in Groznyy today.

Russia: Chechnya Negotiator Mikhaylov Outlines Russian Proposals

LD0408104196 Moscow ITAR-TASS World Service in Russian 0900 GMT 4 Aug 96

[By ITAR-TASS correspondents Sergey Trofimov and Alvi Karimov]

[FBIS Translated Text] Groznyy, 4 August (ITAR-TASS) — Vyacheslav Mikhaylov, head of the delegation for negotiations with the Chechen opposition considers that the separatists' accusations against the central federal authorities of violating the Moscow and Nazran accords are not justified. He said this today at his meeting with journalists in Groznyy.

At the same time he noted that if a meeting does take place, the representatives of the central federal authorities are ready to sign a joint document whereby the Russian side would undertake to halt all military actions within two hours of its being signed. The Russian Government and the legal government of the Chechen republic would be the guarantors that the document will be implemented.

Vyacheslav Mikhaylov considers that a joint supervisory commission should be set up to see that the terms of the accords are implemented by both sides. There was talk of this during the negotiations in Nazran. However wishes had remained on paper. Now, if a meeting is held with the separatist leadership, Mikhaylov will again raise the issue of the creation of so-called zones of responsibility. If the separatists do not agree to a meeting before this coming Tuesday, the Russian side will seek an opportunity for talks with those forces in the republic, which are really having an impact on the situation in Chechnya. The attempts to reach agreement with the separatist leadership will then be at an end.

At the same time, the ITAR-TASS correspondents have learnt that Movladi Udugov, the "republic of Ichkeria's" minister of information and the press, has stated that, "until those persons on the Russian side to blame for wrecking the Nazran agreements are punished, there will be no meetings".

Russia: Chechens Say No Talks Until Nazran Accord Violators Punished

LD0408101196 Moscow ITAR-TASS in English 0952 GMT 4 Aug 96

[By Sergey Trofimov]

[FBIS Transcribed Text] GROZNYY, August 4 (Itar-Tass) — The federal delegation, headed by Nationalities Minister Vyacheslav Mikhaylov, and Chechen separatists has not yet agreed to meet for talks.

Mikhaylov told reporters in Groznyy on Sunday that accusations by rebels alleging that Moscow violates earlier accords are groundless.

To implement peace accords, achieved in Moscow and the Ingush capital Nazran, a joint observer commission should be set up, Mikhaylov said.

The two sides discussed setting up such a commission during the Nazran talks in June, but the proposal had remained only on paper, he said.

If the two sides meet once again, the federal delegation will bring up for discussion that issue. In case the separatists evade talks, federal negotiators will seek talks with forces having real influence in the republic, he said.

If the meeting does take place, the federal delegation is ready to sign a joint document, and in two hours after the signing federal troops will cease hostilities, he said.

The Russian federal government and the legal Chechen government will be guarantors of its implementation, according to him.

At the same time, Tass learnt that Chechen rebel spokesman Movladi Udugov said "No meetings will take place until the federal side punishes those guilty of undermining the Nazran accords."

Russia: Chechen Separatists Demand End to Fighting Before Talks

AU0308194996 Paris AFP in English 1923 GMT 3 Aug 96

[FBIS Transcribed Excerpt] MOSCOW, Aug 3 (AFP) — Russian negotiators arrived Saturday [3 August] in Groznyy, capital of the breakaway republic of Chechnya, and issued an appeal for fresh talks with Chechen separatists to revive moribund peace accords.

But it was far from certain whether the rebels were willing to meet them.

"We are willing to listen to all representatives of the separatists who want to contact us and hold discussions," said Vyacheslav Mikhaylov, head of the high-level Moscow peace mission, Russia's Interfax news agency reported.

But the rebel leadership has said it would not talk to the Russian side until there is an end to the new three-week-old Russian offensive in the small but strategic, oil-rich southern Russian republic.

A separatist spokesman told AFP there would be no negotiations until those allegedly responsible for the violation of previous Russian-Chechen demilitarisation accords were punished.

Sergey Stepashin, secretary of the Russian commission, said it was possible for the Russian offensive to end. But he added: "The separatists will have to enter into contact with the head of the (Russian) delegation."

The two Russian arrivals to Groznyy met Tim Guldimann, head of the local mission of the Organisation for Security and Cooperation in Europe (OSCE), which is trying to broker an end to the 20-month war.

Mikhaylov, who is also Russia's nationalities minister, said his mission had arrived in Chechnya "to tackle concrete measures" on implementation of the two demilitarisation agreements between the Russians and the Chechen rebels. [passage omitted]

Separatist leaders, for their part, expressed their suspicion about the visit by Mikhaylov and Stepashin.

"Russia is not keeping its promises (in the accords) of May 27 in Moscow and June 10 in Nazran, which is putting the effectiveness of negotiations at risk," they said in a communique cited by Interfax news agency.

Chechen rebels say there can be no negotiations while fighting lasts. One of their spokesmen, Movladi Udugov, told AFP: "There will be no resumption of negotiations until those responsible for violation of the (demilitarisation) accords are punished."

But Guldimann, the OSCE official, took the view that even without proper negotiations, it should be possible to have at least a resumption of contact between the belligerents. [passage omitted]

Russia: Pulikovskiy: Troops To Withdraw From Chechnya by Sep

LD0408181096 Moscow Russian Television Network in Russian 1600 GMT 4 Aug 96

[Telephone interview with Lieutenant General Konstantin Pulikovskiy, acting commander of the Russian joint group of federal forces in Chechnya, by correspondent Anastasya Dadyko; from the "Vesti" newscast — live]

[FBIS Translated Text] [Dadyko] Matters of an actual, true withdrawal of troops from Chechnya are now being addressed by Lieutenant General Konstantin Pulikovskiy, acting commander of the joint group of federal forces in Chechnya. Konstantin Borisovich today answers live questions put by our program. So, Groznyy is on the line. Hello, Konstantin Borisovich. [video shows Pulikovskiy against a background of a tank]

[Pulikovskiy] Hello.

[Dadyko] Can you tell us whether September is a realistic date for the withdrawal of our troops from Chechnya as claimed by both Zavgayev and Mikhaylov today?

[Pulikovskiy] Yes, this date is quite realistic. The withdrawal is already under way. We have pulled out a regiment of the Moskovskiy Military District. We have pulled out a regiment of the Uralsk Military District. And in the near future — during August — we will withdraw the remaining units of the Defense Ministry, according to plan. Therefore, this is realistic and I guarantee that this plan will be implemented.

[Dadyko] What do you think are the prospects for the peace talks, which are being discussed today in Groznyy by members of the state commission?

[Pulikovskiy] The members of the state commission have arrived in Groznyy and they have said they will agree to meet the opposition leaders. This will be a discussion, this will be a dialogue, this will be a possibility of finding certain ways of halting the resistance by the bandit formations and for peace to return to Chechen soil. The main thing is that legality and law and order should be established.

[Dadyko] Thank you very much, Konstantin Borisovich. Thank you for finding time to answer our questions. All the best to you.

Russia: Khasbulatov Discusses Chechnya Settlement Proposals

MM0508092796 Moscow TRUD in Russian 3 Aug 96 pp 1-2

[Interview with Ruslan Khasbulatov by correspondent Igor Chernov in Sochi; date not given: "Ruslan Khasbulatov: The War in Chechnya Can Be Stopped"]

[FBIS Translated Text] A notable recent event was the enlistment of former Russian Federation Supreme Soviet speaker Ruslan Khasbulatov in the process of peaceful settlement of the Chechen crisis. He was enlisted by opposition leader Z. Yandarbiyev, who appointed R. Khasbulatov leader of a group of advisers and, it was announced, granted him broad powers. Ruslan Imranovich himself is now on vacation in Sochi, and of course our correspondent took the opportunity to talk with him in the shade of a spreading palm tree.

[Chernov] Whose idea was it to involve you in the peace talks?

[Khasbulatov] This initiative was put forward by public and political organizations in Chechnya which are concerned at the fact that the so-called operation to impose constitutional order turned into a full-scale, prolonged war. These organizations are therefore engaged in seeking contacts with the conflicting parties and trying to influence them.

And there is nothing surprising about the fact that the leaders of the militant opposition are trying to involve the most authoritative people in the settlement. The group of advisers consists of such people, and incidentally it is international.

Its main task is to find a compromise which would suit everyone.

[Chernov] What powers have you been granted?

[Khasbulatov] I was told: You have full powers to meet, conduct talks, seek agreements, draft them with the highest-ranking officials, and propose your own ideas and propositions in connection with the talks within the framework of bilateral contacts, including a draft treaty between the Russian Federation and the Chechen Republic. We had already produced one such draft last year. The Chechen side was inclined to agree to it, but Zavgayev came along, took a line of refusing to recognize the militant side, and everything was ruined. In my view that stance leads to the exacerbation of the situation....

[Chernov] What is your comment on the federal authorities' reaction to your appointment? Or rather, lack of reaction....

[Khasbulatov] It is all rather strange. If you say you are committed to the idea of a peace settlement, why not take advantage of any opportunities? I proceed on this basis: Let us talk for years, but not fight. That's how it was with Tatarstan. The question was resolved. Why not here? Well, fine, it didn't work out, people were disappointed in their hopes of a rapid victory, but now it's clear.... Let's separate the two issues — the military and the political; let's withdraw the troops, put the situation to rights, and discuss the problems.

[Chernov] What do you think about the fact that you are now being called "Yandarbiyev's man"?

[Khasbulatov] That description is fundamentally untrue: For Yandarbiyev, appointing me was a very difficult move.

[Chernov] It is well known that you are trying to get a meeting with Yeltsin. What for?

[Khasbulatov] To discuss specific questions connected with the settlement in Chechnya.

[Chernov] Do you regard as realistic the settlement plan proposed by Aleksandr Lebed — shipping the Russians out, withdrawing the troops, holding a referendum....

[Khasbulatov] By no means all the Russians want to leave Chechnya. As for a referendum, we must not preempt events. We must stop the war, withdraw the troops, and disarm the resistance detachments. The question will inevitably arise: What is to be done with the Zavgayev administration? If the federal center wants peace they will have to recall that administration. Consequently the problem of forming interim organs of power will arise. That can be resolved only in the course of talks with all Chechnya's political forces. For the agreements to be implemented it will be necessary to formulate mechanisms for monitoring and guaranteeing them.

[Chernov] That is, you have no doubt that the war can be stopped?

[Khasbulatov] Yes, it can. But there is one more necessary factor: The sides must be honest. Bringing me into the settlement process also offers additional guarantees. My supporters will enlist public organizations, prominent cultural figures, and representatives of the clergy, who will watch over the accords reached. No commander would dare to ignore them....

[Chernov] But there is Raduyev, for instance....

[Khasbulatov] I would not be in the least surprised if it suddenly turns out that that is the product of the special services — I won't say which country's. Incidentally, I warned a year ago that the continuation of the war was fraught with the danger of the emergence of these uncontrollable Raduyevs who do not in the least reflect the position of the resistance leadership and the people, but are nonetheless very dangerous. They think only of avenging their fallen relatives. The longer the war goes on the more Raduyevs there will be.

[Chernov] Why do you think the accords already reached, in Nazran for instance, are not being fulfilled?

[Khasbulatov] Because apparently it suits Moscow to have a supposedly controllable conflict which can always be used to achieve domestic political goals. But that can't go on forever. Maintaining this state of affairs will inevitably lead to other peoples of the North Caucasus being drawn into the war. I don't think they are trying to do that deliberately. It is more likely a case of unprofessionalism on the part of those who conduct policy in this region.

[Chernov] So the authorities have not reacted to your appointment, the Russian president apparently does not intend to meet with you for the time being — what do you intend to do?

[Khasbulatov] We are already doing it. My colleagues are preparing mechanisms for a peace settlement and submitting their ideas to Russian civil servants.

[Chernov] Are you planning to go to Chechnya?

[Khasbulatov] Yes. But first I still want to talk with Yeltsin. It's not a question of personal matters — it's a question of war and peace.

[Chernov] Let's be more specific about your settlement plan. Chechnya remains within Russia and...

[Khasbulatov] You can't put it like that nowadays. The word "within" provokes a painful reaction. It is possible to avoid such words but at the same time talk about the imposition of restrictions that are in both sides' interests. For instance, common citizenship, open, free borders, the use of the Russian ruble on Chechnya's territory, the demilitarization of the republic. There are still points of contact here.

[Chernov] Ruslan Imranovich, what do you want with this headache?

[Khasbulatov] Personally, I don't want it at all. I'd be happy if I didn't see Boris Yeltsin for the next 100 years. But people know me, people come to me, even here, in Sochi. They plead: Help stop the war! Mothers and fathers are weeping, their sons are being killed. And no end to it is in sight....

Russia: Predicted Dudayev 'Resurrection' Fails To Take Place

LD0208165296 Moscow INTERFAX in English 1603 GMT 2 Aug 96

[FBIS Transcribed Text] GROZNYY, Aug 2 (Interfax) — The "resurrection" of Chechen separatist leader Dzhokhar Dudayev and his return to Chechnya promised by the Groznensky Rabochy local newspaper for Friday [2 August] never took place, a high-ranking representative of the Moscow-backed Chechen authorities told Interfax.

Dudayev was reportedly killed by a Russian rocket in April 1996.

The newspaper "limited itself to vague statements, just reiterating the well-known statement by Dudayev's son-in-law, Chechen field commander Salman Raduyev, that Dudayev is alive," the same source said.

The statement made by Raduyev, who himself was believed to have died in early 1996, and the following reaction to this statement "clearly shows the existence of a split among the separatists' leadership," the Chechen government's representative said.

"The Chechen separatists' Foreign Ministry rushed to refute Raduyev's oath on the Koran that Dudayev is alive, explaining the statement of Dudayev's son-in-law as 'a serious physical and psychological trauma,'" he said.

The statement by Raduyev also runs counter to the statement by present Chechen separatist leader Zelimkhan Yandarbiyev that he personally attended Dudayev's funeral, the same source said.

Meanwhile, some leaflets bearing Dudayev's signature have appeared in several Chechen districts, the same source said, adding that the leaflets accuse Yandarbiyev and Chechen rebel forces commander Aslan Maskhadov of treason.

Russia: Chechen Rebels Claim Responsibility for Official's Death

LD0508151596 Moscow INTERFAX in English 1457 GMT 5 Aug 96

[FBIS Transcribed Text] SOUTH CHECHNYA, August 5 (Interfax) — The Chechen armed opposition has assumed responsibility for killing the acting head of the Vedeno district administration, Amir Zagayev.

Zagayev was arrested Sunday night by a task group of the central front led by field commander Shamil Basayev, the separatist headquarters told an Interfax correspondent Monday.

Zagayev "was court-martialled and sentenced to death for high treason in conditions of war," the source told Interfax. He said the verdict was carried out.

"Opposition special services had undeniable evidence that Zagayev assisted federal troops in discovering several opposition bases," the source said.

Russia: Yeltsin Decree Sets Sakhalin Elections for Oct, Nov

LD0208203296 Moscow ITAR-TASS in English 1945 GMT 2 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 2 (Itar-Tass) — Russian President Boris Yeltsin said in a decree that the Sakhalin region may elect its governor in October or November 1996, the presidential press service reported on Friday.

Another decree said that the region's electoral commission may choose the date of elections to the local legislature and start preparations for the polls.

Russia: Colonel Killed in Explosion Outside Home in Volgograd

LD0508094496 Moscow ITAR-TASS World Service in Russian 0919 GMT 5 Aug 96

[By freelance ITAR-TASS correspondent Olga Trofimova]

[FBIS Translated Text] Volgograd, 5 Aug (Itar-Tass) — A blast went off in a house on Zemlyachka Street in Volgograd at 0530 today. An unknown explosive device blew up when Colonel Yuriy Kim, deputy commander for logistics of the 20th Motor Rifle Division of the 8th Guard Corps, was leaving his apartment. The colonel died on the spot. He was found by the driver of his official car.

An ITAR-TASS correspondent learned at law enforcement bodies that an investigation team of the regional department of internal affairs and the regional military prosecutor's office arrived at the scene of the incident. Criminal proceedings have been instituted. There are several possibilities under consideration. Attention is being paid to the fact that Kim fought in Chechnya and was a businessman.

Russia: One-Kilo Time Bomb Found in Southern Russian Train

LD0208180696 Moscow ITAR-TASS in English 1747 GMT 2 Aug 96

[By Alyona Gubanova]

[FBIS Transcribed Text] ASTRAKHAN, August 2 (Itar-Tass) — A time bomb was found on Thursday in a southern Russian train just before its departure from Astrakhan for Volgograd.

A powerful blast had rocked a carriage of the train plying between these two cities in late July.

A train conductor revealed a three-kilogram metal can bearing the label "Pure Soya Oil" in a carriage toilet. The can proved to contain a one-kilogram time bomb.

This is already the third case, when explosives are found at the Astrakhan railway station, over the last 10 days, a deputy head of the Volga region's railway police department told Tass.

On July 29, local police found 250 cartridges for the Kalashnikov submachine-gun, a training anti-personnel projectile, and a cartridge for an anti-tank machine-gun in a carriage which had come to Astrakhan from Chechnya. Prior to the arrival, it had been used as a temporary accommodation for the personnel of the military commandant's office at Chechnya's Khankala station.

Economic Issues

Russia: Government Official Comments on Debts to Budget

MK0208122796 Moscow SEGODNYA in Russian 1 Aug 96 p 2

[Report by Aleksandr Bekker: "Major Debtors Have Finagled a Special Treatment for Themselves. The Government Is Settling the Problem of Arrears"]

[FBIS Translated Text] Only in the first half of the year, the debt of enterprises to the federal budget amounted to 24 trillion rubles. The government has been especially tormented by 500 industrial giants: They account for 72 percent of the debt, and each of them owes the treasury over 100 billion rubles. [figures as published] The "top 500" include 40 "record holders," whose debt under current payments alone amounts to 3.5 trillion rubles. The list of these enterprises is not being disclosed by the [Russian] White House. The first on this list is the Yuganskneftegaz Joint-Stock Company, whose debt to the federal budget amounts to 2 trillion rubles.

In order to be able to make major defaulters pay in a more or less legitimate way, an interagency commission has been established by a joint order of the State Tax Service, the Finance Ministry, the Federal Tax Police Service, and the Federal Administration for Insolvency/Bankruptcy (FUDN). The commission is headed by FUDN Deputy Director Petr Karpov. Problems being encountered by the commission in its work with the peculiar lot of taxpayers are by no means farfetched. Every time the defaulters are pressed, they bring treasury tax exemptions (KNO), issued by the Finance Ministry, worth hundreds of billions of rubles. The treasury, however, is in need of cool cash, not papers. The situation, therefore, is more than strange: With one hand, Vladimir Panskov is scraping finances off the securities market so as to satisfy the needs of the budget at least to some extent, whereas with the other hand the ministry is issuing KNO papers worth trillions of rubles.

In the opinion of Mr. Karpov, who examined hundreds of balances of enterprises, the problem of nonpayments is largely pinned on artificially jacked up producer's prices. For instance, Zapsib [West Siberian Metallurgical Plant] is exporting 60 percent of its products and, therefore, has to have cool cash to pay into the budget. Generally speaking, it does fulfill its obligations, but at the same time it has raised the prices for its metal on the domestic market higher than the world level. Naturally, the products cannot be bought, they are simply taken. The settlement of all accounts is being blocked by nonpayments. In justification of its price policy, Zapsib is pointing to the miners, who also deliver coal at world prices. All of these distortions are being reflected in balances and result in debts to the budget. "If, however, a client comes to Zapsib and offers to buy metal at half price but for money, rather than as a barter deal or for mutual settlement of accounts, the director will always agree," Mr. Karpov said at a meeting of the government's Executive Committee on Nonpayments last week. Hence, the FUDN deputy director concludes, all partner enterprises have to move a half step back in their prices so as to revive cash flow.

It can also be revived by a "normal," civilized banking interest rate on credits. The paradox now is that the same Zapsib is taking credits from banks at any interest rate and is investing money in dozens of construction projects. By so doing the plant is tying up money. After this, Sibtorgbank and Kredobank, both of which gave the credits, begin to sway. They are no longer able to fund a project that can realistically be recouped.

Mr. Karpov's view on the possibility to procure debts to the budget by threatening an enterprise with bankruptcy looks rather unusual. "I find little sense in scaring the director, since this does not help receive much money," he believes. If we take for an exemplary bankruptcy, for instance, the Bryansk Alcohol Factory, its funds were largely embezzled by the previous director. He was dismissed three months ago, and there is hardly any sense in rendering bankrupt the new director, who has just started to revive the factory. In general, in Mr. Karpov's observation, "old directors, who have plunged the country into its present state and have filled their pockets with millions of dollars, have for the most part quit their jobs." A new leader came to Yuganskneftegaz just four months ago, and he is already suffering quite enough — "so why should we finish him off."

Nonetheless, Mr. Karpov's interagency commission is taking debtors by the throat, working individually with each of them. First, he is forced to agree to a coordinated schedule of the redemption of his debts to the budget, and then he is rather rigidly "supervised" in accordance with this debt return schedule. Thus, as a result the government experts' efforts, in one year the budget has received "from nowhere" some 10 trillion rubles. Another question is that Noyabrskneftegaz, the Omsk Oil Refinery, and Purneftegaz have paid their debts to the state by tax exemptions, which had been thrown into the economy by the state itself. As a result, the federal treasury lost 1.5 trillion rubles of cool cash.

This is, incidentally, not the worst option. Many enterprises, having been granted a deferment for the payment of their debts due by 1 January 1995 under the presidential edict No. 65 of 19 January 1996, have profited by this and virtually stopped to effect current payments. Moreover, Mechel [company] did this in the hope of the patronage of Soskovets, former first deputy minister, whereas AZLK [Lenin Komsomol car factory in Moscow] is paying nothing probably because there is a presidential edict on its support.

Mr. Karpov feels also rather skeptical about the prospects of using debtor's property for the redemption of a debt. He told a story about the Permnefteorgsintez joint-stock company, which started to build a Palace of Sports in the center of the city [Perm]. The construction was not brought to the end and, in fact, $18 million were "buried" into the ground. Now the director of the Perm factory says: Please take, for goodness' sake, the unfinished construction project to the account of payments to the budget. "Real estate is of value in Tverskaya Street [in Moscow]," the FUDN deputy director concluded. "If, however, it is situated in some settlement named Gubkinskiy, this does not mean in the least that someone will take a fancy to it."

Mr. Karpov says openly that the activities of interagency commission on the collection of debts are only marginally lawful. That is, the commission lacks sufficient legal basis to wring out debts to the budget and has mainly to "psyche out" the director, who knows well that he has been at the jam pot and it is better to pay at least something to the federal treasury than to suffer personally.

Based on his experience in work with major defaulters, the FUDN deputy director believes that the government should shift to the individual, contractual basis in its relations with them. In other words, it needs to sit at a table and negotiate in detail all conditions for the return of debts, including some steps of the White House toward a debtor.

Possibly, some people in the White House can feel hurt and say that there is no need to negotiate about debts that should be unconditionally paid. Nonetheless, Mr. Karpov is sure that only such a dialogue can help return at least some portion of the debts to the federal budget. "Otherwise, it makes little difference to the directors: Should they pay just a bit or not pay at all, they will be the bad guys anyway."

Russia: New Central Bank Watchdog for 'Socially Significant' Banks

MM0508095396 Moscow ROSSIYSKAYA GAZETA in Russian 3 Aug 96 p 3

[Report by Maksim Zarezin: "Bankers Invited to OPERA"]

[FBIS Translated Text] The recent major scandals involving the collapse of Unikombank and Tveruniversalbank and the persistent talk of an imminent financial crisis are raising with renewed acuteness the question of the more effective organization of bank supervision by the state. In this connection the Central Bank has adopted an important decision by creating a second operations administration — the first operates the budget accounts held by the Central Bank. OPERA-2 [Operations Administration-2] will take over the correspondence accounts of the biggest socially significant banks on whose sense of well-being the stability of the banking system as a whole depends.

As yet there are five "selectees" on the list, and by the fall Sberbank Rossii [Russian Savings Bank] will join the team. The number of banks in OPERA-2's care could rise to a score or two. It is hard to cite a more specific feature since big banks are a "singular commodity" and a decision to switch them to "special services" will have to made on a case by case basis.

The point behind the creation of the new administration is to provide stricter and more careful supervision and daily monitoring of the activity of the biggest banks, comprehensively assess financial risks and the configuration of credit portfolios, and react more expeditiously to a change in the situation. In the event of a significant deterioration the administration has the right to suspend a luckless bank's operations and even replace its leadership.

Russia: Oil Port Complex Planned for Gulf of Finland

MM0208154396 Moscow ROSSIYSKAYA GAZETA in Russian 31 Jul 96 p 6

[Russian Federation Government Decree 591, "On the Construction in Batareynaya Bay in the Gulf of Finland of a Transport and Technological Port Complex and the Planning of Petroleum Product Pipelines to It," signed by Russian Federation Government Chairman V. Chernomyrdin in Moscow on 17 May 1996 — from the 'Documents' section]

[FBIS Translated Text] The Russian Federation Government decrees:

1. The proposals of the Russian Federation Ministry of the Economy and the "Neftyanaya Kompaniya 'Surgutneftegaz'" ["'Surgutneftegaz' oil company"] joint-stock company — agreed with the Russian Federation Ministry of Fuel and Energy, the Russian Federation Ministry of Transport, the Russian Federation Ministry of the Environment and Natural Resources, the Russian Federation Committee for Water Resources, and the Russian Federation Committee for Fishing, and supported by Leningrad Oblast Administration — for the "Neftyanaya Kompaniya 'Surgutneftegaz'" joint-stock company to construct a transport and technological port complex (hereafter — the complex) in Batareynaya Bay in the Gulf of Finland and to plan the installation of petroleum product pipelines from the oil refinery in the city of Kirishi to the complex out of the funds of this joint-stock company and investors' funds are adopted.

2. The Russian Federation Ministry of Transport — the state client of the program to revive Russia's merchant fleet during 1993- 2000 — is to transfer to the "Neftyanaya Kompaniya 'Surgutneftegaz'" joint-stock company on the basis of a treaty (agreement) to be concluded between them some of the client's functions associated with the funding, construction, and subsequent operation of the complex with due regard for the requirements of state expert appraisals.

3. The "Neftyanaya Kompaniya 'Surgutneftegaz'" joint-stock company is permitted to fund the construction of the complex and the planning of the petroleum product pipelines to it out of the funds obtained from selling 6 million tonnes of oil for export in 1996 and 4 million tonnes of oil in 1997 over and above the oil export delivery volumes envisaged for this company in accordance with the prescribed procedure.

The Russian Federation Ministry of Fuel and Energy is to ensure that uniformly indicated volumes of oil are included in the monthly schedules of its transportation by the system of mainline oil export pipelines.

4. The Russian Federation Ministry of Transport and the Russian Federation Ministry of Fuel and Energy are entrusted with monitoring the progress of construction of the complex.

[Signed] V. Chernomyrdin, chairman of the Russian Federation Government
17 May 1996, Moscow
No. 591

International Affairs

Ukraine: Foreign Minister on Ties With Russia, NATO Cooperation

LD0208184396 Kiev UNIAR in Ukrainian
1145 GMT 2 Jul 96

[FBIS Translated Text] The following is an interview by Ukrainian Minister of Foreign Affairs Hennadiy Udovenko with a correspondent of the Moscow-based NEZAVISIMAYA GAZETA newspaper:

[Correspondent] Esteemed minister, Ukrainian President Leonid Kuchma stated in his address to the leadership of the Ukrainian Ministry of Foreign Affairs on 15 July in Kiev that, for Ukraine, relations with Russia are a priority and the precondition of Ukraine's security in Europe and the world. Could you comment on this statement of the president?

[Udovenko] We are consistently pursuing a foreign political course based on the comprehensive development of relations between Ukraine and Russia. This is absolutely clear and there is no need to emphasize the importance of this thesis. The Ukrainian president has confirmed it. The priority in our policy is relations with Russia based on friendship, mutual understanding, mutual benefit, respect for each other, and noninterference with internal matters. To develop this address further, the Ukrainian Ministry of Foreign Affairs has come up with an initiative and suggested to Russian Minister of Foreign Affairs Yevgeniy Primakov the continuation of the Ukrainian-Russian dialogue and talks between our countries thus giving a new impetus to the negotiations process. However, the process of trade, economic, scientific, and technical cooperation between our countries is rather active, although it slowed down because of the election campaign in Russia. The main task today is to resume this dialogue. It does not depend on forming a new Russian government because this work is being done at the level of experts. The problems of the Ukrainian-Russian relations are connected with the deployment of the Russian Black Sea Fleet in Sevastopol. This problem must be solved already today because any delay in solving this problem affects the life of people in Sevastopol. The Russian Black Sea Fleet has a large debt for utilities provided by municipal authorities and for electricity. Politicians today must display their activity not on the political arena but in solving practical matters affecting the life of ordinary people.

The issue of the demarcation of the state border between Ukraine and Russia is not a political issue of relations between neighbours as some try to present it. These are practical matters. For example, smuggling is taking place but, because the borders have not been marked, the Russian and Ukrainian sides cannot solve the issue of smuggling and open a criminal case on smugglers. This is paradoxical. In the Strait of Kerch area Ukrainian and Russian ships pollute coastal waters. But who is going to answer for this [word indistinct] there is no border.

I am pinning great hopes on my visit to Moscow and the negotiations with Ukrainian [as received] politicians. We have come to Russia with good intentions. This is already the fourth meeting with Yevgeniy Primakov on the issue of Ukrainian-Russian relations. There have been 14 consultations between foreign political offices of the two countries. We have proved that we can cooperate.

[Correspondent] Last week, in Washington, you passed Ukrainian president Leonid Kuchma's detailed initiatives "On setting up a nuclear-free zone in Central and Eastern Europe" to the U.S. Secretary of State [Warren Christopher]. Could you dwell on these initiatives?

[Udovenko] The Ukrainian president put forward the idea and the initiative to set up a nuclear-free zone in Central and Eastern Europe. The thing is that member states of the former Warsaw Treaty are now joining NATO and, therefore, they will be fulfilling all the obligations connected with their hypothetical membership of NATO. These countries will find themselves under a "nuclear umbrella" and this means that NATO, in principle, can deploy nuclear weapons in its new member states. Ukraine is particularly concerned about this, because on 31 May, Ukraine removed the last nuclear warheads from its territory and has become a nuclear-free country since 1 June [1996]. Incidentally, Ukraine renounced the world's third nuclear potential on a voluntary basis. And now, nuclear weapons, though hypothetical, are appearing near the Ukrainian border. We shall discuss this problem at the talks with the Russian side.

How can this idea be implemented in practical terms? I sent a letter to all foreign ministers of NATO member states urging them to hold a NATO conference according to the 16 plus 1 formula (16 member states of NATO Ukraine). I proceeded from the fact that this problem could not be discussed with the countries that were joining NATO, because they could not say "admit me to NATO on these conditions only" — it is up to NATO to stipulate conditions. In Washington, I passed a letter to Mr. Christopher in which our initiatives were set out. We propose that consultations be held at various levels and the decision be put into effect. Norway, which is a NATO member state but which has no nuclear weapons on its territory, can serve as an example. I count on Russia's understanding as regards the settlement of this problem.

The president of Belarus, Alyaksandr Lukashenka, also put forward a similar idea. However, Belarus is a nuclear country de facto; meanwhile, Ukraine is free from nuclear weapons. At present, we are talking openly about a nuclear-free zone in Europe. Our main objective is to prevent the proliferation of nuclear weapons to the East. Ukraine has every moral right to raise this issue.

[Correspondent] Could you describe your personal attitude toward NATO's expansion and Kiev's official stand on this issue?

[Udovenko] Our stand on NATO's expansion is very clear-cut. We are in favor of developing cooperation with NATO. We are taking an active part in various forms of cooperation with NATO, as Russia is doing incidentally; there are no discrepancies as regards our stand on this issue. I spoke at a seminar in Warsaw and someone misinterpreted my words. Ukraine declares unequivocally: as a nonaligned state, Ukraine is not going to join NATO, Ukraine is against building a new Berlin wall. Therefore, it is necessary to think about a new structure of European security — this is the main objective of our policy. True, NATO can play a very important role in European security. Let us not determine which role precisely, but a very important role. Ukraine is in favor of expanding its cooperation with NATO — through cooperation agreements or participation in peacekeeping operations in Bosnia and in the Partnership for Peace program. Russia is also taking part in these forms of cooperation with NATO.

[Correspondent] A delegation of the UNA-UNSD [Ukrainian National Assembly - Ukrainian National Self-Defense], currently in Moscow, has appealed to Russian officials to exchange 14 Russian border guards [taken prisoner of war by Chechen rebels] for seven members of the UNA-UNSD, who had been arrested in Minsk during the disturbances last April involving UNA-UNSD members. They said an agreement to that score had been reached with the Chechen field commanders. Will you assist them [UNA-UNSD members] in implementing this initiative?

[Udovenko] This is the initiative of a public organization and we cannot ban it. As representatives of the state, we have nothing to do with that initiative. However, they appealed to us to render assistance and we will help them; above all, we will assist them in resolving technical issues, if these come about.

At a meeting of the foreign ministers of Ukraine, Poland, and Belarus, which took place in Brest [Belarus] a week ago, I proposed to my Belarusian counterpart [Uladzimir Syanko] that the president of Belarus, Alyaksandr Lukashenka, should make a gesture of goodwill on Belarus' Independence Day and grant amnesty to the Ukrainian citizens detained in Minsk. However, my initiative was ignored.

[Correspondent] Konstantin Zatulin, the director of the Russian institute for issues of the diaspora and integration, said that the Ukrainian government's decision declaring him [Zatulin] persona non grata in Ukraine was illegitimate and that he was not going to abide by it. In any case, he said he would visit Sevastopol, which he refers to as "the Russian city temporarily subordinated to the Ukrainian authorities," at the invitation of the Black Sea Fleet commander, Admiral Kravchenko.

[Udovenko] The Ukrainian Constitution stipulates clearly that "Ukraine is an independent and sovereign state and its territorial integrity is inviolable." Mr. Zatulin has been regularly making anti-Ukrainian statements aimed at destabilizing the situation in Sevastopol. This is why he was declared persona non grata. If he continues his activities on the territory of Ukraine, he will be deported next time he arrives in Ukraine.

Ukraine: Navy Commader Accuses Russia of Failing To Cooperate

LD0308163796 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 3 Aug 96

[FBIS Translated Text] Ukrainian Navy Commander Vice Admiral Volodymyr Bezkorovaynyy has accused Russia of failing in its obligations envisaged in the first stage of Black Sea Fleet division. Speaking at a news conference on 3 August in Sevastopol, he said the Ukrainian Navy had not received documents on the ships transferred from the Black Sea Fleet and the share of property removed from the ships prior to the transfer.

At the same time, speaking on the Ukrainian Navy's relations with the Russian Black Sea Fleet, Bezkorovaynyy said the sides in Sevastopol were developing mutual understanding and good neighborly relations. The commander said the Ukrainian Navy was ready to take part in joint exercises with the Black Sea Fleet, but this required a political decision on such cooperation.

With regard to the Ukrainian Navy's deployment, the admiral said: Sevastopol always was, is, and will be our base.

National Affairs

Ukraine: Government Reorganization Plans Viewed

WS0508094096 Kiev INTELNEWS in English 0317 GMT 5 Aug 96

[Article by Halya Pavliva: "Kuchma Fashions Executive Branch Reorganization," from the INTELNEWS "Economic Review" feature]

[FBIS Transcribed Text] July 27, President Leonid Kuchma signed a decree broadly reorganizing the executive branch, including dissolution of the Chernobyl Ministry and civil defense headquarters.

As with many of the changes, the Chernobyl Ministry was included into a new ministry, in this case the Ministry for Extraordinary Situations. The changes were met with resistance, even at a time when most bureaucrats are away on vacation.

Earlier, the government of Ukraine announced its plan to lay off 10,000 employees of the central system of the executive as part of the streamlining.

The decree additionally dissolves the Ministry of Youth and Sports; the governmental Committee for Underage Persons; and the President's Committee for Women, Motherhood and Childhood. Kuchma seeks to replace these with the new Ministry for Family and Youth Affairs.

The Ministry of Press and Information was eliminated, as well as the Ukrainian National Information Agency. These are replaced by a Ministry of Information. The decree dismissed the State Committee for Science, Technology and Industrial Policy; the National Agency for Marine Studies and Technologies; as well as the State Service of Ukraine for Special Information and Critical Technologies. A Ministry for Science and Technology is being created.

Kuchma has asked the Cabinet of Ministers to make suggestions on amending the decree of the president within a month. He also wants the ministers to bring all appropriate governmental resolutions into accordance with the changes.

President Kuchma said the decree is necessary to bring the government structure into accordance with the new Constitution.

According to Ivan Kuras, deputy prime minister for humanitarian policy, the changes are principally for the purposes of management efficiency, rather than ideological or political.

"The control environment has to be rational, efficient, affordable and adequate to the new requirements of the state system," said Kuras, adding that the example has to be shown on the top. "For instance, bodies dealing with youth affairs have not always worked with proper coordination and efficiency."

Others in the administration supplied additional explanations.

"Another aspect of this problem is to create an economic sector," explained the president's adviser on economic issues, Volodymyr Lanovyy. "For instance, in Poland in 1990 they retained only three ministries: Ministry of Finance, Foreign Trade Ministry and Labor Ministry. And that's it."

The problem is how to reorganize Economics Ministry and all ministries and agencies having the word "resources" in their names. The economy is being divided into functional parts. "We have to have integral economic policy, which shouldn't be divided into foreign and domestic policies and their financial fulfillment," Lanovyy said.

In 1992, Lanovyy had suggested changing Economics Ministry into a "ministry of ministries," a strategic center for elaboration of program solutions in trade, finance and investment, including monetary and credit relations with the NBU.

This never happened, and now it is not clear that Lanovyy is in the loop. "I have no idea of what will happen now. The new Prime Minister claimed responsibility for streamlining the government and announced elimination of 12 departments. I know nothing yet of any qualitative changes," he said.

Lanovyy agreed with streamlining the Byzantine structure left from Soviet times. "The system is overloaded by numerous branch ministries, and this has to be changed," he said. "An excessive amount of branch ministries leads to lobbying allocations, inter-branch borderlines, protectionism for selected enterprises.

"If we are talking serious changes, we have to break these walls," Lanovyy said. "We have to create ministries dealing with external indicators for economic systems: industrial, transportation, financial. External indicators include standards for these systems, price conditions of markets, export-import, competitiveness problems. We have to come to this and then we'll have the ministries we need," Lanovyy said.

Staff Reductions

The presidential administration chief of staff, Dmytro Tabachnyk, said that the administration's staff will be reduced also. He said, the main goal of al the reorganization is "to improve government effectiveness."

Foreign Affairs Minister Hennadiy Udovenko said he was not happy with a new plan of the state saving money when his ministry's 200 phone lines are cut out of the long distance calls network. "Now, it is necessary to get the department head's permission to call a foreign country," the minister said.

But he also noted that "we managed to get support of both the president and prime-minister to not reduce the ministry's staff." According to Udovenko it is necessary not to reduce, but to develop the ministry' structure.

Other observers disagreed with the changes. It is "nothing more then Kuchma's attempt to show who is the head of executive power," one expert out of government said.

This source, who asked to remain anonymous, also predicted deep, future disagreements between President Kuchma and Prime Minister Lazarenko. Lazarenko recently made changes at the local administrations' leadership, and Kuchma is trying to subordinate to himself some ministers. After a decree to appoint the foreign minister and various force [power] ministers was signed in July, Kuchma publicly said that according to Ukraine's new Constitution those ministries are subordinated to the President. In fact, under the Constitution all the ministries operate under the Prime Minister and Cabinet of Ministers and none are subordinated directly to the President.

One Parliament deputy said that "government structures' reorganization is a kind of permanent process in Ukraine." He pointed out the similar sweeping reorganization just last summer after the constitutional agreement between President and Parliament was signed. "So, if before last year we had the Foreign Economic Relations Ministry, after that reorganization we got the Foreign Economic Relations and Trade Ministry," he said.

Military Union Most Upset

The Central Committee of Military Unity, a Ukrainian servicemen's union, expressed its protest concerning the liquidation of the Committee for Social Protection of Servicemen and the transfer of its functions to the Defense Ministry.

"The regime of Kuchma-Lazarenko has started a broadscale attack on the social rights of servicemen (and) veterans of the military service," reads the Military Unity's appeal released July 31.

The document contains demands of the trade union, specifically to influence certain ministry's official response. It aims to renew the committee's status as an institution under the Cabinet of Ministers; approve a schedule for payments of pecuniary allowances to servicemen and pensions to veterans; conduct a complex inspection of property, arms, military wares, etc. in the Ukrainian armed forces; and adopt laws on providing servicemen, retired servicemen and members of their families with housing.

As soon as the decree was released, Maj. Gen. Vilen Martyrosyan, committee chairman, resigned from his position.

"From the very beginning, the committee has been created as a body not subordinated to the military, which allowed it to fight against abuses and law violations in the defense authorities," Martyrosyan said. The latter tried to subordinate the committee, but its chairman was strong enough to stand their attacks. In order to strengthen the committee, he initiated creation of Vitchyzna (Motherland) All-Ukrainian association, which united about 30 public organizations of acting and retired military servicemen and of their relatives. The committee often requested the cancellation of unfair resolutions, and it gave information on the improper disposal of military property directly to the Cabinet of Ministers.

Of course, the Ministry of Defense was not happy with the state of affairs. On the other hand, the committee staff absorbed some of the unrest among the servicemen caused by the drastic decline in their living standard.

Martyrosyan had few allies and avoided back room dealing. He suspected that it was not the committee itself that was meeting such a strong opposition, but it was directed at him personally. And so he resigned.

Even a month ago, at the meeting of the Kiev garrison officers, Martyrosyan supported the request for the resignation of the Ministry of Defense Board.

Other Changes

"The new Constitution supposes concentration of the executive structures. The talk is not about forming a new ministry or agency, but of uniting several departments within one profile direction in order to utilize financial and human resources more efficiently," said Deputy Prime Minister Kuras.

The State Committee for State Secrets and State Service for Technical Protection of Information are to be combined, while the decree reduces the Ministry of Nationalities and Migration to a state committee.

A state committee for physical culture and sports is formed, and the State Committee for Gardening, Grape Planting and Wine-making was folded into the Ministry of Agriculture.

The National Anti-AIDS Committee, which was under the authority of the President of Ukraine is transformed into the State anti-AIDS committee, subordinated to the Ministry of Health.

The State Department of Air Transportation and the Committee for Air Space Exploitation have been subordinated to the Ministry of Transportation.

The National Committee for Repatriation of Cultural Values to Ukraine has been subordinated to the Ministry of Culture and Arts.

The National Committee of Radiation Protection has been subordinated to the Ministry for Environmental Protection and Nuclear Safety.

Ukraine: Prime Minister on Energy Sector Losses

WS0508082696 Kiev INTELNEWS in English
0243 GMT 5 Aug 96

[FBIS Transcribed Text] Kiev, Aug. 3 — Prime Minister Pavlo Lazarenko has set out on a rampage against the electricity sector, claiming that the new system of retailers have lost some $2.5 billion in their first 18 months of existence.

During a working meeting of the Cabinet of Ministers on Saturday, described poor control of the energy sector as one of the major causes of the current economic crisis. Lazarenko also cited shortfalls in government revenues and he criticized economic ministers for a lack of control over both expenditures and income.

The energy sector comments came one day after Lazarenko conducted a meeting at the Chornobyl Power Plant on expected problems this winter, during which he harshly criticized leadership at the Minister of Energy over its creation of an intermediary energy market.

According to the decision, which was passed in early 1995, some 3,000 organizations — many of them private companies — were authorized to sell electricity. According to Lazarenko many of these enterprises have collected payment from consumers but not paid their bills to energy producers.

He cited Zaporizhiya Nuclear Power Plant as an example, saying it had lost more than KBV60 trillion ($333 million).

"This will never happen in the future," Lazarenko said.

On Friday Lazarenko signed a resolution according to which the state company "OblEnergo" will sell electricity exclusively in every oblast of Ukraine.

According to the decision, in case of a delay in payments for energy, OblEnergo divisions will have to pay their debts by selling stock shares.

Consumers owed almost KBV142 trillion ($789 million) to nuclear power plants, most of which was owed not by citizens, but enterprises, according to Lazarenko.

Participants of the Friday meeting, including the heads of Ukrainian power plants, nuclear energy specialists, representatives of the State Nuclear Energy Committee, also discussed nuclear energy problems.

Ukraine: Lazarenko Views State of Affairs at Nuclear Power Plants

LD0208200096 Kiev UNIAN in Ukrainian
1550 GMT 2 Aug 96

[FBIS Translated Text] Kiev, 2 Aug, UNIAN — Ukrainian Prime Minister Pavlo Lazarenko arrived at the Chernobyl nuclear power station today to chair a conference that is to discuss the state of affairs at nuclear power stations. A UNIAN correspondent reports that the conference will consider the preparation of nuclear power stations for the autumn-winter season of 1996-1997, structural reorganization of the nuclear and industrial complex, operation of the Chernobyl nuclear power station, and the progress of building generating set No. 2 at the Khmelnitskiy nuclear power station and generating set No. 4 at the Rovno nuclear power station.

According to Ukraine's State Committee for the Use of Nuclear Power, 15 generating sets with the total capacity of 13.6 million kW are installed at the nuclear power stations in Ukraine, of which 9 sets, with the capacity of 6.6 million kW, were operating at 1 August, and six were under scheduled repairs. In general, the nuclear power stations are operating stably: they have produced 4 billion kW of electricity since the beginning of 1996. In the six months of 1996, the capacities of nuclear power stations were used by 74 percent, with the Chernobyl nuclear power station accounting for the highest figure of 89 percent and the Khmelnitskiy nuclear power station being used by 45 percent. At the same time, there has been a shortfall of 2 billion kW (800,000 tonnes of coal) in the production of electricity since the beginning of 1996 because of unscheduled stoppages and protracted repairs.

The debt for electricity supplied has reached 141.6 trillion karbovantsi. The State Committee for Nuclear Power owes 8.8 trillion karbovantsi to the state budget, 2.3 trillion to the employees of nuclear power stations, 600 billion karbovantsi to construction workers and repairmen, and 5.6 trillion karbovantsi to creditors.

Ukraine: Lazarenko Signs Order To Ensure Funds for Miners' Wages

LD0208155796 Kiev UNIAN in Ukrainian
0850 GMT 2 Aug 96

[FBIS Translated Text] Kiev, 2 Aug, UNIAN — On 31 July, Ukrainian Prime Minister Pavlo Lazarenko signed an order aimed at ensuring financial resources to support the payment of wages to employees of coal mining and coal processing enterprises.

UNIAN has learned at the government press service that the Ministry of Coal Industry must, when concluding new and implementing the current contracts for supplies to enterprises subordinate to that ministry of coal and coal products, ensure cash payment for at least 50 percent of the value of the goods sold in the accounting month. This condition comes into force in July 1996. If this requirement is not met, the size of state subsidy, which the Ministry of Coal Industry allocates to mines on the basis of each tonne of produced coal, will be reduced by one percent for each percent by which the specified level of cash payments is reduced. The Ministry of Coal Industry and the Ministry of Statistics are to establish the procedure for submission of statistical reports on the volumes of supplied coal and coal products on barter arrangements.

Ukraine: Trade Unions Warn Over Arrest of Miners' Leader

LD0208215496 Kiev UNIAN in Ukrainian
1615 GMT 2 Aug 96

[FBIS Translated Text] Donetsk, 2 Aug (UNIAN) — The Trade Union Association of Donetsk Mines Council today sent a letter to the prosecutor of Donetsk, Kalinichenko [name as received], requesting him to report without delay the motives behind the arrest of Mykhaylo Krylov, co-chairman of the Donetsk Workers' (Strike) Committee and the Industrial Workers' Committee, by employees of the law-enorcement bodies in Kharkov and what charges have been brought against Krylov. The authors of the letter emphasize that the situation will be discussed at miners' working collectives if the prosecutor's office fails to give its explanations by 1400 on Monday [5 August] (when the council of the trade union association of Donetsk mines will hold its next sitting), Valeriy Miller [name as received], the chairman of the Donetsk Mines Trade Union Association told UNIAN. He said the situation regarding Krylov's arrest was being discussed at expanded sittings of trade union committees and trade union mines activist groups. Miller assumed that Krylov's arrest could stir up another wave of strikes in Donetsk.

Ukraine: Report Provides Data on Terrorist Acts

WS0208095296 Kiev KIYEVSKIYE VEDOMOSTI in Russian 31 Jul 96 p 10

[Report by Hryhoriy Omelchenko, chairman of the Ukrainian Supreme Council Commission for Combating Corruption and Organized Crime: "Some 600 Crimes Involving the Use of Homemade Explosive Devices Have Been Committed in Ukraine Over the Past 30 Months. Fifteen Officials Have Been Killed and 19 Have Been Injured"]

[FBIS Translated Text] The characteristic feature of the last quarter of our century is that terrorist acts are becoming more frequent. While in 1980 approximately 500 such acts were committed worldwide, in 1984 there were 700 terrorist acts, the following year — 800, and in 1989 — over 850. And during the period of 1990-95, around 1,000 terrorist acts were recorded annually.

As experts point out, the worst danger stemming from terrorism is its nature. It reflects and promotes the cult of violence and contributes to the latter's development, and prevails over legal, political, and diplomatic methods of resolving conflicts.

During the first three months of this year, over 30 acts of terrorism were revealed, including threats against certain state officials, crimes against deputies to local councils, and attempts to take hostages.

The population's illegal possession of over 5,500 firearms is a dangerous factor which has an impact on the battle against terrorism. Last year alone, 10,000 cases of illegal carrying of arms, possession, purchases, production, and sales of firearms, cold steel, ammunition, and explosives were recorded, as well as 212 cases of stealing weapons, explosives, and ammunition (53 citizens were indicted). During the past two and a half years, over 560 cases of terrorist crimes involving the use of homemade explosive devices have been committed in Ukraine.

This has resulted in deaths of 90 people, 15 of whom were officials. A further 218 people have been injured, 19 of whom are representatives of the authorities.

Terrorist attempts at carrying out explosions at nuclear power and chemical plants and other facilities — which may bring about catastrophic consequences and many casualties — are particularly alarming.

Regional and interregional terrorism has developed into intercontinental terrorism.

Ukraine: Rise in Islamic Fundamentalism in Crimean Tatar Viewed

LD0408214496 Moscow NTV in Russian
1700 GMT 4 Aug 96

[Video report by correspondent Marianna Maksimovskaya; from the "Itogi" program]

[FBIS Translated Excerpt] [Maksimovskaya] The idea of Crimean Tatars creating an Islamic republic of Crimea was first voiced at the beginning of this year. Statements by representatives of the radical Islamic Party of Crimean Tatars alarmed the local press and the Crimean authorities, but were welcomed by many Crimean Tatar resettlers arriving from their places of deportation in Central Asia who were experiencing great difficulty in establishing themselves in the land of their ancestors.

Bakhchisaray was the capital of the Crimean Khanate a few centuries ago, and now this is probably the place most densely populated by Crimean Tatars returning home after 50 years of deportation. [passage omitted: deportees started to return in 1989; video of seventh microdistrict of city where resettlers live; young mother describes her overcroweded household; Tatars have higher infant mortality rate compared to other Crimeans; most returning Tatars are denied Ukrainian citizenship; the Crimean Tatar parliament, the Majles, formed with Kiev's endorsementand that represented Kiev's interests in the Crimea until recently is now changing its attitude to the government, which has reduced financial aid]

[Begin Mustafa Dzhemilev recording, chairman of the Majles] Well, we need to somehow defend the lives and well-being of our countrymen. What sort of national body are we if we do not take any measures to defend our countrymen? The Majles will lose its authority. [end recording] [passage omitted]

[Maksimovskaya] The leaders of the Crimean Tatars talk of the need to revive their religion but at the same time, the idea of setting up an Islamic state in the Crimea has been called premature and such talk has been described as provocation by Turkey and Pakistan.

[Begin recording] [Server Kerimov, chairman of Adalet party] It has taken root here too. I mean the specific extremist ideology of Muslim fundamentalism. In other words, they have taken the pulse around here too. There have been emissaries from Pakistan. In other words, they want to introduce their ideology here. And they are the ones talking about an Islamic republic and so on.

[Maksimovskaya] In the Crimea?

[Kerimov] In the Crimea. [end recording]

[Maksimovskaya] At the same time, the Majles leaders have for a long time now been making no secret of their close links with Muslim countries, but also the fact that so-called self-defense detachments exist in Tatar villages. At first they wanted to call them askir [as heard] or warrior detachments, but having formed the detachments they have decided to refrain from using the ethnic name for now.

[Begin Dzhemilev recording] There are no askirs as such for now, but we could organize such forces at any moment. We were forced to set up the self-defense detachments. If the organs here are unable to cope with them then we will defend the Crimean Tatars ourselves, even if it means taking up arms [sentence as heard]. Such self-defense detachments have been set up in every locality with a dense Crimean Tatar population and they could be activated at any moment. [end recording]

[Maksimovskaya] The leader of the Crimean Tatar Majles is equally frank about the help they give to Chechen fighters.

[Begin Dzhemilev recording] We believe that the Chechens are waging a national liberation struggle for the independence of their territory. They are our brothers. Yes, they have come here. They have been treated in some of the sanatoriums. They sometimes had financial problems and were unable to pay — prices here are very high. We helped them out. [end recording] [passage omitted]

Economic Issues

Ukraine: Equal Conditions Created for Foreign, Domestic Businesses

WS0508073996 Lvov INFOBANK in English 0630 GMT 8 Aug 96

[FBIS Transcribed Text] The Ukrainian government has introduced new legislation regulating the activities of foreign businesses in Ukraine which involve locally-made products. The statement released by the government stresses that the new legislation is aimed at creating conditions for foreign businesses similar to those in which Ukrainian businesses operate. The new legislation also removes chances of double taxation, a thorny problem Ukraine had long promised foreign countries to solve.

According to the new legislature, activities involving locally-made products which were obtained by foreign businesses in Ukraine and which are sold, exchanged or transferred to other persons in Ukraine is considered business activity on the territory of Ukraine and is taxed in accordance with the Ukrainian legislation. This activity does not include operations whereby a customer supplies his own raw materials for processing and takes away the finished product. Foreign businesses which operate in Ukraine on locally-made products must have a registered office in Ukraine.

If a foreign businessman purchases locally-made products or receives it according a barter agreement and obtains another locally-made product as a result of his activity, he has to submit to the customs office, provided he intends to export this product, a certificate issued by the State taxes inspection which confirms payments made for locally-made products at each stage of the product processing and which testifies that there have been no violations of the effective legislation during the product manufacture. If a barter deal is reimbursed by a foreign business with Ukrainian-made products, corresponding business contracts, acts and certificates of origin could serve as confirmation of such payments. Such business operations involving barter deals are allowed only on condition of prior supplies of goods by foreign businesses.

Ukraine: Country Needs $1.5 Billion for Hryvnya Stabilization Fund

AU0208125696 Kiev DEMOKRATYCHNA UKRAYINA in Ukrainian 1 Aug 96 p 1

[Unattributed report: "One Can Smell the Hryvnya"]

[FBIS Translated Text] A decision on the possibility of granting Ukraine a stabilization fund for introducing the national currency — the hryvnya — will be adopted by the International Monetary Fund proceeding from the results of the work of the Second European Department's mission that will be visiting Ukraine between 11 and 20 August.

According to Oleh Rybachuk, head of the National Bank Administration for International Ties, the dates of the monetary reform will not necessarily be "tied up" until the stabilization fund is granted to Ukraine. According to Ukraine's National Bank experts, Ukraine needs a reserve fund of between $3 billion and $3.5 billion for carrying out its monetary reform. At the same time, the experts indicate that the National Bank has already formed a reserve fund of about $2 billion. Thus, according to O. Rybachuk, the stabilization fund may reach $1.5 billion.

Ukraine: Harvest To Be 20 Percent Lower Than Estimated

WS0208095996 Kiev VSEUKRAINSKIYE VEDOMOSTI in Russian 23 Jul 96 p 6

[Report by Oleh Osypyuk: "Ukraine Will Have Bread, Yet of a Very Black Color"]

[FBIS Translated Text] Judging by everything, the Ukrainian Government's attempts to harvest at least 38 million tonnes of grain in 1996 are doomed to failure. Ukrainian Prime Minister Pavlo Lazarenko pointed out during a regular telephone conference with heads of oblast and rayon state administrations that objective factors, including weather conditions, as well as subjective ones are to blame. Certain farm managers and government members ignored the timely organization of the spring sowing campaign. According to the prime minister, around 40 percent of the guilt rests with managers.

As for the weather, it did play a bad joke on farmers. Crops have been virtually destroyed by drought on 400,000 hectares out of the 12.7 million hectares sown with grain. In particular, winter grain crops in Odessa Oblast are in a more or less satisfactory condition on no more than 13 percent of areas and in Zaporizhya, Khmelnytskyy, and Lugansk Oblasts — on 34-40 percent of the area.

In the recent past, weather conditions were sometimes even worse, but levers of administrative control over agricultural production had their effects on the results of work. Every manager realized that he would be severely questioned about every lost tonne of grain. Not only moral responsibility was envisioned for them. The system of rigid administrative control has been replaced with the state order of 5 million tonnes which is 12 percent of estimated crops. In addition, the new system of state orders has been discredited by the state's chronic debts to agricultural producers and years will be needed to restore the farmers' trust in the state.

The first real step toward raising the state's prestige was made this year. Instead of traditional promises and commitments, the government has already issued 65.5 trillion karbovantsi [K] to farms in money and material resources out of the promised K72 trillion. An additional K6.5 trillion was transferred by the beginning of July. This means that the state has met its commitments to producers and within envisioned legal deadlines, too.

Meanwhile, (for instance in Kherson Oblast) there are farms that harvest 35 quintals of grain per hectare on non-irrigated land, while other farms cannot harvest even 20 quintals per hectare, although in the past their lands were famous for highly efficient agro-industrial technologies, and harvesting 60 hectares of wheat was not considered a great accomplishment. In the past, average annual production of grain in Kherson Oblast was 4 million tonnes. Today, it is hard to believe those figures.

Land improvement has been practically abandoned, not to mention know-how. The structure of sown areas has been determined in a haphazard manner. Because of farm managers' ineptitude, 7 million hectares of fertile land was not cultivated in the fall. Of course, one may think that the local leadership had recalled the traditional methods and left certain areas as fallow land. However, it is hard to believe this, watching wild land thickly covered with weeds.

In addition, certain farms in southern Ukraine were in such a "hurry" to sow grain into damp soil in the spring that in Zaporizhya Oblast they forgot to sow 165,000 hectares with spring crops. The corresponding figure in Kherson Oblast is 130,000 hectares. Odessa and Mykolayiv Oblasts are not much better in this regard. As a result of this kind of "competition," in 1996 Ukraine can count on no more than 31 million tonnes of grain, which is around 20 percent lower than estimated.

Ukraine: Crimean Prime Minister Reports on Deteriorating Economy

WS0208122296 Kiev UKRAYINA MOLODA in Ukrainian 30 Jul 96 p 2

[Report by Dmytro Volokitin: "SOS Crimean Style"]

[FBIS Translated Text] A report by the head of the Crimean executive branch at a closed government meeting, which was recently published by Crimean mass media, has shocked many people.

"The present economic condition in Crimea can be described as extremely critical," these were the first words uttered by Crimean Prime Minister Arkadiy Demydenko. "The main reason for this is our inactivity, irresponsibility, and self-complacency."

Some figures underline this fact even better: the industrial production of the peninsula's enterprises dropped by 16.3 percent over the past six months. More than half of the state and collective farms in Crimea can be declared bankrupt. Horticulture and grape cultivation are in shambles. The grain yield declined to 17.8 centners per hectare. As a result, Crimea saw the "most miserable yield of grain crops in the past 23 years." Procurement of roughage and soft fodder [sokovyti kormy] is going very slowly. Compared with 1995, the number of cattle decreased by 16 percent. Over the past period, the amount of cattle and poultry sold for slaughter dropped by 12 percent, milk production by 15 percent, and the production of eggs by 16 percent.

Industrial construction, Demydenko noted, is on the verge of total collapse. In the first six months of this year, 78,400 square meters of housing were built thanks to various sources of financing, half as much as in the past year. Only one school was opened, and only 16 km of gas and 1 km of sewage pipes were laid. Debts owed by investors to construction companies are growing with every month. The number of suspended or simply deserted construction projects has soared abruptly. The Crimean Ministry of Resorts and Tourism also received its portion of scolding from the prime minister. "The tourist season is in full swing, hotels and health centers are fully occupied, but budget revenues are not growing. Why is that?" Unfortunately, no positive results were reported in trade in the first half of 1996, because "no one manages this sphere in any way." Just think: according to official figures, compared with 1990, sales of vodka produced by state enterprises fell six-fold. "Have people in Crimea stopped drinking vodka, or what?" the prime minister asked. It looks like the chief suppliers of this commodity to retail trade channels are bootleggers. It is possible that this situation suits not only retailers, but also certain people from the Ministry apparatus.

The unsatisfactory performance of the entire economy has significantly curtailed tax revenues to the Crimean budget. In the first half of this year, only 50.5 percent of the expected revenue came to budgets at all levels. This is absurd, the budget did not receive more than 20 trillion karbovantsi.

Many enterprises, the prime minister stated, deliberately evade paying their tax obligations. To do that, they take advantage of various legal loopholes and put money in accounts of phony legal persons. "Even a superficial analysis of activities by the State Tax Inspection in Crimea shows that its local branches are not interested in full tax collection. One can get the impression that a portion of tax money that the autonomy's budget is missing has been pocketed by tax inspectors," Demydenko announced.

The prime minister summed up this storm of criticism by issuing a resolution demanding "enhancement of control over financial and business activities by enterprises and organizations, as well as timely notification of the government of embezzlement, abuses, and gross violations of financial discipline, especially in the budget sphere."

By the way, polls conducted by the peninsula's journalists show that Crimean Prime Minister Demydenko is the most popular politician in Crimea. This is why we think that he will still be able to maintain his image not only because of his ability to criticize, but also because of the ability to work efficiently.

Belarus

Belarus: Iranian Foreign Minister Velayati Meets Lukashenka

WS0208095096 Minsk BELAPAN in English
0650 GMT 2 Aug 96

[FBIS Transcribed Text] Minsk, 1 August — 'Ali Akbar Velayati, Iranian Minister of Foreign Affairs, arrived in Minsk on an official visit on July 31. On arrival in Minsk Dr Velayati was received by Belarusian President Alyaksandr Lukashenka. According to information received, during the meeting the parties discussed cooperation, its subsequent development and questions concerning integration between Belarus and Russia. On behalf of President Hashemi-Rafsanjani, Dr Velayati invited Mr Lukashenka to visit Tehran at a time convenient to the Belarusian President. On the morning of August 1, Dr Velayati met with Belarusian Minister of Foreign Affairs Uladzimir Syanko. Then Dr Velayati had talks with Minister of Foreign Economic Relations Mikhail Marynich in Zaslawl near Minsk. Incidentally, the latter is a co-chairman of the Belarusian-Iranian Commission on Economic Cooperation. The talks between Dr Velayati and Mr Marynich and Syanko were held behind closed doors, that is why their results are not known at present. However, after a meeting with Prime Minister Mikhail Chyhir, Dr Velayati is expected to hold a news conference on the results of the talks. Dr Velayati's meeting with Syamyon Sharetski, Chairman of the Supreme Soviet, which was to take place on August 1 has been postponed for the morning of August 2.

Belarus: Ministry Criticizes Zhirinovsky Remarks on Overthrow Plot

LD0208164296 Moscow INTERFAX in English
1525 GMT 2 Aug 96

[From the "Diplomatic Panorama" feature by correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] MINSK, Aug 2 (Interfax-West) — The recent statements by Russian Liberal-Democratic leader Vladimir Zhirinovsky about alleged plans of Western secret services to overthrow Belarus President Alyaksandr Lukashenka aimed to evoke a highly emotional public response, the Belarussian Foreign Ministry said.

"What Zhirinovsky said may damage the advancement and expansion of relations between Belarus and its foreign partners," the ministry said in a special statement Thursday.

Belarus aims to maintain enduring relations with all its neighbors and has launched good relations and a constructive dialog with Russia, the United States, Poland and Ukraine.

In Minsk's view, it is most disconcerting that representatives of some political trends in the Russian State Duma attempt to put Belarus at loggerheads with its neighbors and introduce an element of interethnic hatred into the Belarus political process.

Liberal-Democratic leader Vladimir Zhirinovsky all but confirmed to journalists statements by Chairman of the Duma Security Committee Viktor Ilyukhin said about Western special services' efforts to destabilize Belarus and undermine President Lukashenka's positions.

Belarus: Lukashenka Orders Investigation of Alleged CIA 'Plot'

LD0308180496 Moscow INTERFAX in English
1738 GMT 3 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 3 (Interfax) — Belarus President Alyaksandr Lukashenka's chief of staff, Mikhail Myasnikovich, said on Saturday Lukashenka "has instructed relevant services to investigate" into a claim by a senior Russian parliamentary deputy that a plot was being hatched against the Belarusian president.

Viktor Ilyukhin, chairman of the Security Committee of the State Duma, Russia's lower house of parliament, said recently that the CIA was plotting to overthrow Lukashenka.

Myasnikovich, answering a question by Interfax at a news conference at Interfax's central office in Moscow, said Ilyukhin's words could not be ignored.

He said he was grateful to Ilyukhin but that the deputy's information "didn't necessarily have to be brought to Lukashenka's attention via the mass media, although it is no secret to him (Lukashenka) that certain political forces are interested in removing the president of Belarus from the political arena."

Commenting on an appeal by Zenon Poznyak and Sergey Naumchik, leaders of the opposition Belarusian Popular Front, for political asylum in the United States, Myasnikovich said: "There is no threat to them in the republic, and certainly any persecution is out of the question."

By their appeal the Front leaders "more likely seek to restore their image, shaken after their complete failure at the election for the Supreme Soviet [parliament] of the republic."

Myasnikovich said he had "no doubt" that "the people support the president" while the current political strife in the country "cannot be called a crisis or a social confrontation."

Belarus: Helsinki Group Calls Lukashenka's Actions 'Totalitarian'

WS0508084296 Minsk BELAPAN in English
0750 GMT 5 Aug 96

[FBIS Transcribed Text] Minsk, 2 August — The Belarusian Helsinki Committee (BHC) has made a statement in view of the recent comments by President Alyaksandr Lukashenka on the political situation in the country. The statement reads that the remarks by the president "had a vivid totalitarian character and indicated Lukashenka's intention to remain the president for two more terms of office and to do away with the parliament and the opposition. Under the guise of ensuring the harvesting, elements of the state of emergency are about to be introduced in the country.... We feel great anxiety about the involvement of the local and central executive authorities and power institutions in making decisions, which are beyond the limits of their authority and run counter to legislation." The BHC recalled that during his inauguration Mr. Lukashenka had sworn an oath to act in strict accordance with the Constitution. "A new violation of that oath may have dramatic consequences," the statement reads.

Belarus: Lukashenka Confirms Plans To Hold Fall Referendum

LD0508104796 Moscow INTERFAX in English
1020 GMT 5 Aug 96

[FBIS Transcribed Text] MINSK, August 5 (Interfax-West) — Belarusian President Alyaksandr Lukashenka is determined to hold a referendum in autumn on amending several constitutional provisions.

In a Sunday night television appearance he said that if the nation votes for the third time in support of the president, this will rid the republic of various political differences and clarify the attitude of the East and of the West to Belarus.

Voters backed Lukashenko when they elected him in July 1994 and the second time in May 1995 when the majority supported presidential initiatives on integration with Russia, on the Belarusian language and national symbols during a referendum.

"When Western investors are given guarantees of stability in the country, they will not have to think what is the most profitable place of investment. So far it has been extremely difficult to reach concrete economic results in an atmosphere of domestic political confrontation," the president said.

He believes domestic opposition is now being supplemented by external opposition. According to Lukashenka, the leaders of the Belarusian Popular Front Zenon Poznyak and Sergey Naumchik whom he called "sick men set loose" have urged the West not to give economic aid to Belarus and at a news conference at the U.S. Congress at the end of last July appealed for political asylum.

The president claimed the funds for the referendum have been found and "not a single rouble from the government budget will be spent on the purpose."

Lukashenka claimed the country does not have the means "for carrying out the idea of holding by-elections for deputies to the Supreme Soviet." In his opinion the 199 of 260 deputies elected in four parliamentary run-offs are quite enough for full-scale work.

"Voters will not go to polling stations once again because they do not accept such a number of officials," the president said.

He thinks the main reason for his confrontation with the parliament is that he restricted "the material interests of deputies."

By his decree Lukashenka regulated the benefits of government employees, the procedure of sending them on business abroad, reduced the salaries of deputies and cut down the number of cars at the disposal of parliament from 160 to 14.

Regarding the claim of Russian Duma Security Committee Chairman Viktor Ilyukhin that a covert operation to remove Lukashenka from his post is planned with the involvement of the CIA, he said if it is an attempt to check his nerves, nobody has to doubt the 40-year-old head of state has good nerves. "If it is an attempt to intimidate, let them notice that after these attempts the number of presidential bodyguards was reduced from three to one," Lukashenka said.

"If the threat is real, nothing will come of it, because 11 million honest citizens stand behind the head of state," the president stressed.

Belarus: Official Says Legislation Slowing Reforms

LD0308181496 Moscow INTERFAX in English
1617 GMT 3 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 3 (FIA-Interfax) — Belarus President Alyaksandr Lukashenka's chief of staff, Mikhail Myasnikovich, complained on Saturday that reforms in the former Soviet republic, including privatization, were being slowed down by its current legislation.

The Belarusian government has drawn up a joint Belarusian-Russian program for the second half of 1996 and 1997 to speed up and synchronize reforms in both countries, Myasnikovich told a news conference at the Interfax central office in Moscow. The program has been put before the Russian government for evaluation, he said.

Myasnikovich said reforms in both Russia and Belarus could be effective only if the two countries had similar laws.

Belarus's current constitution, adopted in 1994, "needs amendment" and must be brought closer to its Russian counterpart.

The new Belarusian constitution should invest the president with "special powers" and "give the cabinet of ministers the right of legislative initiative, which today it does not possess, according to the fundamental law (constitution)."

Belarus's current laws have practically brought privatization to a halt. Except for 89 municipal enterprises, not a single state enterprise has been privatized this year, while under a 1996 program endorsed by Lukashenka 500 enterprises are to pass into private hands.

Belarus: Belarusian 1996 Privatization Program Falters

LD0208163396 Moscow INTERFAX in English 1556 GMT 2 Aug 96

[FBIS Transcribed Text] MINSK, Aug 2 (FIA-Interfax) — The privatization of state-owned property in Belarus has been all but frozen since the beginning of 1996.

Not a single major company was sold off to private investors during this period, the Belarussian State Property Ministry said.

Only 89 municipally-owned facilities have been privatized in Belarus since the beginning of 1996.

However, the Belarussian 1996 privatization program endorsed by President Alyaksandr Lukashenka envisages the privatization of 500 state-owned companies.

An official reason for the delay in privatization is imperfect legislation.

Slow Belarussian privatization is a major obstacle in talks on crediting between Belarus and international financial organizations, including the International Monetary Fund.

Since 1991 Belarus has privatized 428 major companies and 1,256 municipally-owned facilities.

Belarus: KGB Seizes Radioactive Materials, Arrests Gang

LD0208200796 Moscow NTV in Russian 1800 GMT 2 Aug 96

[Video report from Minsk by unidentified correspondent; from the "Segodnya" newscast]

[FBIS Translated Text] The Belarussian KGB [State Security Committee] has carried out an operation to capture a group of criminals who were trying to sell six containers [konteynery] giving off high-intensity gamma radiation. The KGB's Alpha Group caught the group red-handed in the village of Borisovo, 100 km from Minsk. It is still a secret from where the criminals stole these containers, but experts have established that their radiation background is five milliroentgens per hour, which is a lot higher than the safe level for people standing in their vicinity. The investigation has yet to establish the identity of the client who probably lives outside Belarus.

It is already clear that the containers discovered are not the only ones to have been stolen. It turns out that the danger of such goods lies not only in radiation, but in the ignorance of the criminals who appear to be unaware of what they were handling.

[Begin Yevgeniy Bobrov recording, Information Center of Belarusian KGB] The criminals may have been unaware of what they had stolen and what it was destined for. They will sell it for the famous greenbacks, although they were putting their lives at great risk — and not their lives alone. [end recording]

The estimated value of the containers is about $50,000. The criminals, Belarusian citizens, one of whom was a soldier, stored these materials in a cellar alongside potatoes and solutions for pickling vegetables.

Taking into account the fact that it is dangerous to spend more than 20 minutes beside the containers if you are not equipped with protective clothing, Alpha actually came to the criminals' rescue this time. Their safety is now guaranteed in the special prisons of the KGB. They will live. [video shows masked paramilitary police guarding detainees at scene of seizure, containers that look like red kettles, cellar where they were found]

Moldova

Moldova: OSCE Mission Views Prospects of Chisinau-Tiraspol Talks

AU0508095196 Chisinau BASAPRESS in English 1930 GMT 3 Aug 96

["Branimir Radev, Head of the Organization on Security and Cooperation MISSION in MOLDOVA, Interviewed by BASA-PRESS: 'Chisinau and Tiraspol Will Return to Memorandum, if They Will Need This Document...'"]

[FBIS Transcribed Text] Chisinau 03/08/1996 (BASA-press) — [Question] What concrete guarantees will be granted in order the future agreement on the settlement of the Dniester dispute to be observed?

[Answer] The negotiators and mediators are aware that certain guarantees are required to implement the future agreement on the final settlement of the Dniester dispute. They will be, probably, agreed considering three equal stages. One of them will stipulates the pledges assumed by Chisinau and Tiraspol on the concrete principles to settle definitely this conflict.

At the other stage we will decide upon the guarantees from some concrete states, and the last one stipulates the guarantees from the international organizations.

But, currently, even the sides did not answer how do they view these guarantees, under what aspects. It is also early to talk about guarantees of the mediators as long as it is not clear for what they will be offered.

The problem on guarantees forms part of the general process of the peaceful settlement and is extremely important. In the name of the OSCE [Organization on Security and Cooperation in Europe] Mission, I can say that, currently, our organization told its viewpoint on the measures which must make the sides observe the agreements. I do not say the word "guarantees" because the OSCE itself has not yet defined them definitely. In the context of all conflicts whose settlement is attended by the OSCE, the state created in Moldova is the most favourable to tackle the problem on the final settlement of the conflict and possible guarantees.

[Question] Is there a risk that the negotiations could fail?

[Answer] We know that the ordinary meeting between Mircea Snegur and Igor Smirnov, scheduled for July 24, was cancelled without fixing another date. We are aware that, by the virtue of some circumstances, here appeared certain problems. The attitude of the OSCE leadership is directed to outrun possible influence of some negative circumstance on the negotiations.

Besides, the OSCE tries to persuade the sides on the necessity to continue the dialogue, even if the under the circumstances of the domestic events which are expected next months, as it is the electoral campaign...

[Question] How much does the state connected with the Memorandum influence upon the negotiations?

[Answer] It happened that the problem to sign or not sign the Memorandum has a larger significance than the contents of the this document. The exaggerated importance which is granted to the text has, perhaps, certain grounds. This document is provisional and does not have a fundamental feature. Though, it is important under the aspect to fix the current state of things in the negotiations and is as an impulse to draft further the document on the final settlement. This will represent the future status of Dniester. That is exactly how the Memorandum was viewed in March, when it was started to be drafted. It is not a secret that the document was drafted twice. I think that if the problem on signing or non-signing will raise again, no side will insist to sign one or another variant. Chisinau and Tiraspol will return to the Memorandum at the talks' table, if they will need this document.

[Question] Can you name a possible date of signing?

[Answer] I do not have information in this respect.

Moldova: Chisinau Claims Russia's Mission in Dniester 'Discredited'

AU0208202396 Chisinau INFOTAG in English 2040 GMT 1 Aug 96

[FBIS Transcribed Text] Chisinau, August 1 (INFOTAG) — Moldova's representatives at the Joint Control Commission declared that peacemaking mission of the Russian Federation in the Dniester region of the republic is "completely discredited".

The Joint Control Commission (JCC) carries on control over the implementation of Moldovan-Russian Agreement of July 21, 1992 on the principles of the peaceful settlement of the military conflict in the Dniester region of Moldova. JCC is made up of the representatives of Moldova, Dniester and Russia. In accordance with the agreement joint peacekeeping forces were formed, and the city of Bender was declared the zone of increased security.

On Wednesday, Moldova's representatives made a statement in which they voiced a "vigorous protest against active actions of the administration of the city of Bender, directed at destabilization of the situation, disruption of negotiation process on the political settlement of Dniester conflict."

It is pointed out in the statement that on July, 23 on the highway Chisinau-Bender, beyond the city limits, close to the post of the joint peacekeeping forces a permanent post of frontier troops of the so-called Dniester Moldovan Republic (PMR) was set up. In the following days representatives of the customs and traffic inspection service joined the post.

On July, 24 at the meeting of JCC the Moldovan side voiced their protest against gross breach by the Dniester side of the Moldovan-Russian agreement and of the decisions of JCC regarding the free movement of transport and people and the exclusion of the presence of military units in the security zone. Moldovan representatives demanded immediate withdrawal of Dniester's frontier post.

However, as the statement notes, by this moment neither representatives of Bender's administration, nor the leaders of the power structures of Dniester region (being members of JCC themselves), nor the military commandant of the city from the peacekeeping forces of Russian Federation, responsible for observing the extreme order of security, have properly reacted to this protest.

According to Moldova's representatives at JCC, the formation of the frontier post by the city of Bender and the attempt to define the borders of self-proclaimed PMR in the zone of activity of peacemaking forces of the Russian Federation not only testifies to the realization of political ambitions of the leaders of separatism in Moldova, but also completely discredits Russia's peacemaking mission in that area.

The document says that the mission of the Russian side is compromised by the fact that it connived at the introduction of Dniester's border troops and military forces into the security zone, the permission to keep and bear arms at Bender's enterprises and by the representatives of military units, blocking of the activity of the operative-investigative group of the police from the Ministry of Internal Affairs of Moldova in Bender, violation of the rights of Moldovan citizens, residents of the eastern regions of the republic.

Members of JCC from Moldova called for the leadership of Dniester region to provide for the strict observance of the assumed obligations to implement the agreements of July, 21, 1992 and to commission the withdrawal of border troops and military forces from the security zone.

The leaders of Moldova and Russia were requested to examine the process of implementing the said agreement and to take political measures for the normalization of the situation, and the mission of the Organization of Security and Cooperation in Europe was asked to study the current situation and to inform the OSCE for proper reaction.

Moldova: Ukraine Ready To Sign Memorandum on Dniester

AU0508091196 Chisinau BASAPRESS in English 1930 GMT 3 Aug 96

[FBIS Transcribed Text] Chisinau 03/08/1996 (BASA-press) — Ukraine is ready to sign the Memorandum on the basic principles meant to normalize the relations between Moldovan and Dniester, at the demand of the both sides, Ukrainian presidential representative Yevhen Levytskyy told the participants in the Chisinau-Tiraspol negotiations.

He told a press conference by the OSCE [Organization on Security and Cooperation in Europe] Mission in Chisinau that "if the sides found mutual acceptable stances, which might be put in the Memorandum, Ukraine will greet the signing of this document." Ukraine considers the settlement of the Dniester dispute as a domestic matter of Moldova, he specified. At the same time, Levytskyy said that, being ready to sign the Memorandum, Kiev reserves the right for its own viewpoint on its contents.

According to him, the memorandum lacks the spirit of the January declaration, signed by Snegur, Kuchma and Yeltsin, which underlines the need to grant a special status to Dniester as part of indivisibie Moldova.

"I think the draft itself does not correspond to its name, because it is difficult to find there stipulations of the basic principles to normalize the relations between Moldova and Dniester. It is more a document on the positive intentions of the both sides, and Ukraine is ready to sign the Memorandum," he said.

The Ukrainian representative also stated he does not have concrete information on the possible date to sign the document.

Moldova: Catana Blames Dniester 'Extremists' for Wrecking Talks

AU0508092596 Chisinau BASAPRESS in English 1930 GMT 3 Aug 96

["Interview granted to BASA-press by General-Major Victor Catana, Moldovan co-chairman of the Joint Control Commission and First Interior Vice Minister: 'Dniester Extremist Forces Attempt To Frustrate Negotiation Process Through Provocations'"]

[FBIS Transcribed Text] Chisinau 03/08/1996 (BASA-press) — [Question] What events in the security zone caused the last statement made by the Moldovan representatives in the Joint Control Commission (CMC)?

[Answer] Tiraspol settled, in the zone with a higher security regime, a border guard post on the Chisinau-Tighina (Bender) thoroughfare on July 23. We view this action as a rude violation of the Moldovan-Russian agreement signed on July 21, 1992. Chisinau told the CMC sitting that urgent measures are required to remove the guard from the security zone. However, the next days, the respective frontier guards were accompanied by representatives of the Dniester customs and road militia.

I stress it again that these incidents occurred in the sector controlled by the Russian peacekeepers. In the statement, the Moldovan delegation qualified the settlement of the this post not only as an attempt to mark the Dniester borders, but also as a fail of Russia's peacekeeping mission in Dniester. I remind that, since December 1992, Dniester introduced large military and border guards units.

Despite our numerous protests, for the time being, no measures were taken to withdraw these units from the security zone. If we take into account the fact that formation of the state structures of the one-sidedly proclaimed republic were finished in the presence of Russian peacekeepers, we may make the following conclusion: Both then and now Tiraspol attempts to obtain the legitimacy and international recognition under the cover of the Russian "blue helmets."

The last incidents evidently show that the Dniester extremist forces try to wreck the negotiations. The incidents may be viewed as pressures made by these forces on Tiraspol in order to make it give up the political dialogue. Moreover, these provocations are a kind of pressures on Chisinau as well aiming to speed up the signing of the Memorandum on normalization of the relations between Moldova and Dniester.

[Question] As CMC co-chairman, what is your attitude on the problem to sign this document?

[Answer] The CMC does not participate directly in the drafting of such documents. However, I am accustomed both to the initial text of the Memorandum and to its second variant. The first variant, practically, stipulated the legalization of Moldova's territorial dismemberment.

The second variant lacks a clear formulation of Dniester's future status inside an integrated Moldova as well. For these reasons, the signing of this variant will actually legalize the territorial division of the country too. That is why I think the respective document should be first adjusted to the Moldovan Constitution and to generally accepted international regulations.

Moldova: Dniester's Maracuta Views Coming Presidential Elections

AU0308141496 Chisinau INFOTAG in English 1547 GMT 2 Aug 96

[FBIS Transcribed Text] Chisinau, August 2 (INFOTAG) — The necessity of forming a state within the common borders was stated by the chairman of the Supreme Soviet of the non-recognized Dniester Moldovan Republic (PMR,) Grigore Maracuta.

In an interview, published in the LOGOS-PRESS weekly on Friday, he said that "the Dniester Republic should have the same status as the Moldovan side, so that there would be no older-younger-brother relationships."

In his opinion at present Moldovan side is trying to deal with the left side of Dniester in the same way they dealt with Gagauzia, but the reality of Dniester differs and everything has to be done to find a mutually acceptable formula.

Grigore Maracuta declared that "certain political forces, moreover not only communists, proposed him to run for the president of Moldova."

"But I have not voiced, not even formulated such a desire so far. Though in case accord is achieved between our two coasts, I could be nominated. Certainly, it is not easy or is even impossible to count on success in all of Moldova for a local candidate, but in the second round we could pass these votes onto another candidate, under certain conditions, of course. As far as other candidates, Dniester probably has its own preferences. As far as I know, the preference is given to [acting Moldovan Prime Minister] Andrei Sangheli. However, I would not like for this to be considered my point of view," pointed out Maracuta. The speaker of the Tiraspol Parliament said that he knows nothing about President Mircea Snegur ostensibly carrying on negotiations with Tiraspol on the Dniester residents' non-participation in the presidential elections. "Basically, the fact the memorandum [on the Dniester conflict settlement] has not been signed makes it impossible for Dniester to participate in the elections. The extent of Snegur's fault in the events of 1992 is so great and the participation of our people in the elections would definitely be against the present Moldovan president. Snegur should realize that he can not afford total isolation if he desires to avoid crashing as a political figure. The refusal to sign the memorandum will give him very slight dividends during elections. I am certain that most people stand for the normalization of the situation", said Grigore Maracuta.

Moldova: World Bank To Provide $10 Million Loan to Chisinau

LD0208161096 Moscow INTERFAX in English 1549 GMT 2 Aug 96

[FBIS Transcribed Text] CHISINAU, Aug 2 (FIA-Interfax) - The World Bank will provide a $10 million loan to Moldova for implementation of the country's first agricultural project for a total cost of $18.5 million.

Under the loan agreement signed on May 7, 1995, and ratified by the Moldovan parliament in late July of 1996, the loan will be provided for 20 years with a five-year preferential term at a LIBOR " 0.5% interest rate.

The rest of the funds needed to implement the project will be provided by the Moldovan government ($4.8 million) and Moldovan agricultural companies ($3.7 million). The project, envisaging the development of wine growing, fruit growing, vegetable growing and some other agricultural industries, is to be completed by August 15, 2001.

To date, Moldova and the World Bank have signed credit agreements for a total of $231 million.

Tajikistan

Tajikistan: Rakhmanov Chairs First Session of Security Council

LD0308122096 Dushanbe Radio Tajikistan Network in Russian 1000 GMT 3 Aug 96

[FBIS Translated Text] President Emomali Rakhmanov today chaired the first session of the Tajik Security Council. The Council considered the situation in the Republic of Tajikistan and measures to stabilize it, the work of law enforcement bodies and corresponding structures in the fight against the illegal drugs trade, the activity of the Ministries of Security, Defense, and Internal Affairs in the regions, combat operations, and the state of the Tajik Security Council's interdepartmental commissions.

Security Minister Saidanvar Kamolov, Internal Affairs Minister Saidamir Zuhurov, and Abdurahmon Azimov, secretary of the Security Council, took part in discussion of the questions.

Tajikistan: Rebels Warn UN of Cease-Fire Breakdown

LD0408104696 (Clandestine) Voice of Free Tajikistan in Tajik 0600 GMT 4 Aug 96

[FBIS Translated Text] Sayed Abdullo Nuri, leader of the United Opposition Forces of Tajikistan, has expressed his anxiety that if the United Nations does not take serious attempts over the [Tajik Government] regime's military operations in the next few days, then it will not be possible to observe the cease-fire agreement. Prof Nuri expressed these words in a message to the UN secretary general.

It was also mentioned in the message that the regime is sheltering behind the joint cease-fire agreement signed in Tehran but has not carried out any noticeable work to this end. The regime has not only failed to carry out any specific work but is still aggravating fighting against the mujaheddin in the areas of conflict, especially in Tavil-Dara and Teppai Samarqandi [village 10 km northeast of Dushanbe].

Prof Nuri expressed his anxiety at the situation in Teppai Samarqandi and strongly condemned the unlawful detention of the opposition delegation to the joint cease-fire commission by the coercive bodies of the regime.

The complete text of the message will be brought to your attention in the programs of Payk-e Khorasan [Radio Voice of Free Tajikistan news program].

Tajikistan: Rebel Radio Says Russia Playing 'New Game'

LD0308104296 (Clandestine) Voice of Free Tajikistan in Tajik 0600 GMT 3 Aug 96

[FBIS Translated Text] Suppositions about Russia forcing changes in the Tajikistan's leadership are acquiring real foundation. According to a Russia TV channel report, Moscow officials are intent on getting client figures into the Tajik Government, including such persons as Abdulmalik Abdullajonov, Abdujalil Samadov, and Jamshed Karimov, three former members of Rakhmanov's government who recently announced they are setting up a new bloc. All three of the aforementioned men were dismissed by Emomali Rakhmanov, the head of the current communist regime, and are considered as his opponents.

Meanwhile, Davlat Khudonazarov, former opposition candidate in Tajikistan's presidential elections, said in Moscow that 80 percent of the settlement of the Tajik crisis lies in Russia's hands. Experts say that in order to strengthen its power in Tajikistan, Russia has started a new game.

Tajikistan: Radio Says Aga Khan Supports Tajik Badakhshanis

LD0308091596 (Clandestine) Voice of Free Tajikistan in Tajik 0600 GMT 2 Aug 96

[FBIS Translated Text] The Aga Khan Fund in Badakhshan has began to implement a special service program — Help and Development. The purpose, program managers say, is (?to supply) the region and its inhabitants. According to the report, the aforementioned fund has decided to provide practical help to the Badakhshani people to construct small agricultural and industrial enterprises in the agricultural sphere, so that the people can supply themselves with their own staple necessities without direct help from foreign countries. So far 80 percent of the staple food of the Badakhshan region has been delivered by the Aga Khan Fund. However, the Dushanbe regime has been maintaining an economic blockade against Badakhshan for four years.

Tajikistan: Opposition Sets Preconditions for Meeting With President

LD0208195296 Moscow INTERFAX in English 1730 GMT 2 Aug 96

[From the "Presidential Bulletin" feature No. 142 (1140) compiled by reporters Anna Kovalyova, Nikolay Zherebtsov, Andrey Petrovsky, and Boris Yunanov]

[FBIS Transcribed Text] The latest steps by the opposition have called in question the possibility of President Emomali Rakhmanov's meeting with the Tajik opposition leader Said Abdullo Nuri.

The Russian Foreign Ministry on Thursday voiced concern over the reports that the Tajik opposition sets various preconditions for such a meeting.

The chief of the Russian Foreign Ministry's current information department, Vladimir Andreev, said that Russia would not like to interpret this policy by the Tajik armed opposition as a negative gesture towards Russia or as a result of pressure on the Tajik opposition by third parties not involved in Moscow's mediatory efforts.

The diplomat recalled that "Russia proposed holding a meeting of the Tajik president Rakhmonov and opposition leader Nuri to let the two men agree on expanding and strengthening the cease-fire and developing new measures to build up from the Teheran agreement of 1995.

Andreev said that Rakhmonov had expressed his consent to taking part in the meeting without any preconditions or reservations.

"When Russian Foreign Minister Yevgeniy Primakov met with the chief negotiators at the inter-Tajik talks in Ashgabat on July 9, he was told that the Tajik opposition leader had agreed to such a meeting. Nuri himself confirmed that later, on July 23," the diplomat said.

Andreev said that Russia would continue to take an active part in the negotiating process under the auspices of the United Nations to help the rival Tajik parties find constructive compromise solutions.

Andreev confirmed an invitation to Nuri to meet with Rakhmonov in Moscow.

Earlier the special U.N. envoy in Tajikistan, Gerd Dietrich Merrem said that such a meeting could take place in Moscow in September.

Azerbaijan

Azerbaijan: President, Russian Diplomats Discuss Nagorno-Karabakh

*LD0408074996 Moscow INTERFAX in English
0734 GMT 4 Aug 96*

BAKU, Aug 4 (Interfax) — Azerbaijani President Geydar Aliyev met with Vladimir Kazimirov and Yuriy Yukalov, the former and present Russian mediators at talks on the Nagorno-Karabakh conflict within the scope of the OSCE Minsk Group, in the Azerbaijani capital of Baku on Saturday.

Kazimirov has recently been appointed as the Russian ambassador to Costa Rica.

Yukalov has recently been appointed as an OSCE official representative.

The cease-fire respected since May 1994 creates conditions for the further settlement of the Armenian-Azerbaijani conflict, Kazimirov said during the meeting.

However, the Azerbaijani president said he was unsatisfied with the present situation in the conflict zone.

Regarding the cease-fire, Aliyev said the Russian Defense Ministry tried to bring its troops into the conflict zone in February and May 1994.

The Azerbaijani leadership had to recall the Azerbaijani defense minister from a session between the CIS defense ministers in May 1994 because the CIS defense ministers wanted him to sign an agreement on the introduction of Russian troops, Aliyev said.

Russia has not so far used all existing opportunities for the settlement of the Nagorno-Karabakh conflict, the Azerbaijani president said.

"Nagorno-Karabakh cannot receive independence. This must be said once and forever," he stressed.

Armenia and Nagorno-Karabakh have been made "a spoiled child out of a rich family," Aliyev said.

Armenia does not recognize Azerbaijan's territorial integrity, he said, adding that however this was not directly condemned by the mediators, including the OSCE.

Azerbaijan does not need just formal territorial integrity "whereby Nagorno-Karabakh is part of Azerbaijan de jure but is 'outside' Azerbaijan de facto," Aliyev went on to say.

"Territorial integrity is a geo-political term rather than just a geographic notion," he said.

To achieve cease-fire is difficult with regard to any conflict, Yukalov said for his part, adding that the establishment of the cease-fire in the zone of the Nagorno-Karabakh conflict should be considered as a great achievement.

The meeting was continued behind closed doors.

Azerbaijan: Aliyev Receives Japanese Trade Delegation

*NC0208153996 Baku TURAN in English
1939 GMT 1 Aug 96*

[FBIS Transcribed Text] Baku/01.08.96/TURAN—Today the president Geydar Aliyev received the Japan's delegation headed by the leader of the Department for International Relations of regional policy and insurance of export-import operations in the Trade and Industry Ministry of Japan. Geydar Aliyev said that he was satisfied with the intensification of the Japanese-Azeri economic relations and growth of interest to Azerbaijan in Japan.

"We exchanged views with the Japan's premier concerning the expansion of bilateral contacts and at present we study the questions on deepening co-operation with such companies as Itochu, Mitsubishi and the others", Geydar Aliyev said.

Head of Japan's delegation told, in turn, that co-operation in the sphere of fuel and energy industry would be very important for the development of bilateral relations in the whole.

Geydar Aliyev says that leadership of Azerbaijan takes all measures for creation of legal basis for attraction of foreign investments. "We continue the processes of reforms in economy for creation of favourable situation for entrepreneurship," Aliyev said.

Azerbaijan: Guliyev Receives Visiting Iranian Parliamentarians

*NC0208161096 Baku TURAN in English
1451 GMT 2 Aug 96*

[FBIS Transcribed Text] Baku/02.08.96/TURAN—Today the speaker of Azeri parliament Rasul Guliyev received the deputies of the Iranian parliament from Ardabil province Ahad Kaza'i and Ibrahim Purne'mati.

Rasul Guliyev noted that the attention of the leadership of Azerbaijan was focused on the all-round expansion of the relations between the two countries. According to Rasul Guliyev, the agreed actions of the parliamentarians of the two countries can be very favourable, including the international relations.

The guests told the speaker of the Azeri parliament that new Iranian parliament started its work.

Azerbaijan: Ministry on Anniversary of 'Nagorno-Karabakh Republic'

NC0208143696 Baku TURAN in English
1939 GMT 1 Aug 96

[FBIS Transcribed Text] Baku/01.08.96/TURAN—On 30 July the Armenian agency "NOYAN TAPAN" issued a statement reading that Nagorno-Karabakh was preparing to celebrate "the 5th anniversary of proclaiming" of so-called Nagorno-Karabakh republic. In this respect the press-centre of the Foreign Ministry of Azerbaijan made a statement today which reads that the date which Nagorno-Karabakh is going to celebrate means "start of a large-scale occupation of the historically native lands of Azerbaijan, bloody war and ethnic clearing."

These arrangements by Yerevan reflect the policy of Armenia which does not conceal its pretensions on the great territories of the neighbouring states, the information reads. "Participation of the governmental delegation in the 'celebrations' once again confirms real role and responsibility of Armenia in the aggression against Azerbaijan which has been lasting for more than eight years," the information of the press-service of the Azerbaijan's Foreign Ministry reads.

Azerbaijan: Baku Opposed To Armenia Celebrating Karabakh Anniversary

LD0208163796 Moscow INTERFAX in English
1525 GMT 2 Aug 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] BAKU, Aug 2 (Interfax) — Azerbaijan sees Armenia's plans for the celebration of the fifth anniversary of the proclamation of the Nagorno-Karabakh republic as a reflection of the political line of Armenia, which makes no move to camouflage its claims on neighboring territories.

The Azerbaijani Foreign Ministry said the celebration would signal "the beginning of a large-scale occupation of truly Azeri lands and ethnic cleansing operations."

The presence of an Armenian government delegation will only "underline Armenia's true role in, and responsibility for, the eight years of aggression against Azerbaijan," a Foreign Ministry statement said.

The Nagorno-Karabakh Council of People's Deputies, as well as all other Soviets of the Nagorno-Karabakh Region, and the Soviet of the Shaumyan District proclaimed the Nagorno-Karabakh Republic on September 2, 1991, in Stepanakert.

Azerbaijan: Defendants in 1995 OPON Case Convicted, Sentenced

NC0208172496 Baku TURAN in English
1049 GMT 2 Aug 96

[FBIS Transcribed Text] Baku/02.08.96/TURAN—Yesterday the trial of 22 members of Special Police Department (OPON) was over in the Supreme Court. The trial started on June 17, 1996.

The accused have been charged under the following articles: 57 (high treason), 15-94 (attempt to murder), 220 (illicit arms storage), 71 (smuggling), 65 (participation in armed units not stipulated by the Government), 59 (participation in the acts of terrorism), 194 (use of false documents) and 70 (banditism) of the Criminal Code of Azerbaijan.

This group of OPON members participated in events on March 13-14, 1995 in Kazakh and Akstafa regions, where there have been conflicts between the OPON and the Governmental troops.

The majority of the accused have been sentenced to 15 years in jail, only Asker Mamedov, invalid of the Karabakh war, has been sentenced to 10 years in prison.

The investigation charged one of the accused, Yashar Mamedov, with attempt on President's life in April 1995. In particular, Mamedov has been charged with planting of mine on the "Komsomolskiy bridge", through which President had to go to the airport.

The Public Prosecutor demanded to sentence Yashar Mamedov to death, however the court sentenced him to 15 years in prison: first five years he will serve his sentence in jail and the next 10 years in the colony with strengthened regime. All 22 OPON members will also serve their sentence in the colony with strengthened regime.

As a whole approximately 500 people have been arrested due to March events in 1995. Part of them have been discharged and more than 100 people have been sentenced to different terms in prison.

Georgia

Georgia: Georgian-Abkhaz Talks in Moscow Suspended

LD0108121296 Tbilisi BGI in Russian
1100 GMT 1 Aug 96

[FBIS Translated Text] Georgian-Abkhaz consultations in Moscow have been suspended for an indefinite time. Georgian television reports that although the Abkhaz side partially agrees to amendments to the peacekeepers' mandate, it categorically opposes the expansion of the peacekeepers' actions on the whole of Gali District.

Georgia: Anti-Georgian Politician Appointed Abkhaz Foreign Minister

LD0208183296 Tbilisi IBERIA in Georgian 1500 GMT 2 Aug 96

[FBIS Translated Text] Sukhumi, 2 Aug — By the decree of Vladislav Ardzinba, Abkhazia's so-called president, Abkhaz Foreign Minister Leonid Lakerbaia has been released from his duties. The decree appointed Konstantin Ozgan as the foreign minister. Konstantin Ozgan is known for his anti-Georgian sentiments and pro- Turkish orientation.

According to Abkhaz separatist radio, Leonid Lakerbaia has been dismissed on the basis of his own letter of resignation. However, a reliable source has told an IBERIA correspondent that the former foreign minister did not support Ardzinba's weathercock policy on a number of issues.

Georgia: Georgian, Russian Special Services 'Wonderful Relationship'

MK0308055196 Moscow SEGODNYA in Russian 1 Aug 96 p 8

[Report by Mikhail Vignanskiy: "Georgian Special Services Have Allegedly Gotten on the Track of Listyev's Assassin. The Security Minister Refutes Information That a U.S. Intelligence Officer Was 'Removed' on the Instructions From Moscow"]

[FBIS Translated Text] The investigation into the assassination of a U.S. diplomat in Georgia in the summer of 1994 has received an unexpected continuation. On Monday [29 July], in a personal conversation with your SEGODNYA correspondent, Georgian Security Minister Shota Kviraya denied data of the local information agency KAVKAZ-PRESS about the involvement of Russian special services in the assassination of Fred Woodruff (on 27 July SEGODNYA published Mikhail Vignanskiy's report based on the information of KAVKAZ-PRESS. — Editor). While not complaining against the newspaper, Mr. Kviraya noted that the information of KAVKAZ-PRESS was a deliberate falsification: "This information is coming from a certain person who is interested in the disruption of relations between the special services of Moscow and Tbilisi. It was not by chance that this information appeared in the Georgian press on 26 July, the day before my alleged planned visit to Moscow. I say 'alleged' because wrong dates of the visit had been leaked from us deliberately. We know the name, the position, and the rank of the person who has given the misinformation to the agency. We have given information about him to Moscow, where, I believe, appropriate measures will be taken. As for these clumsy, provocative methods, they will not break our relations, since this is simply impossible. I am proud of my friendship with Messrs. Trubnikov, Kovalev, and Kulikov."

Mr. Kviraya emphasized that the Georgian secret services have "wonderful working relations" with the Russian special services and their leaders, which "provides grounds for carrying out serious joint operations." Your SEGODNYA correspondent was the first to hear the following information from Kviraya: As a result of measures having been taken by the Georgian State Security Ministry and the Russian Federal Security Service, a Russian citizen, suspected of having organized the assassination of Vladislav Listyev, has been arrested in Georgia. The minister said that the details can be disclosed to the press in the near future.

Georgia: Kviraia: Listyev Suspect Handed to Moscow Two Months Ago

LD0308212896 Moscow NTV in Russian 1800 GMT 3 Aug 96

[From the "Segodnya" newscast]

[FBIS Translated Text] The Georgian authorities have at last made an official statement before TV cameras on the arrest of the man suspected of killing Vladislav Listyev. Until today Tbilisi had evaded such statements. An exception was made for our TV company.

[Unidentified correspondent] Employees of Georgia's State Security Ministry kept secret for more than two months a certain operation carried out at the end of May in Tbilisi and now the Minister of State Security Shota Kviraia has spoken for the first time.

[Begin Kviraia recording] At the instructions of Russia's office of public prosecutions, officers of the Russian Federal Security Service [FSB] and Georgia's Interior Ministry carried out a joint operation on the territory of Georgia. It resulted in an arrest. The detainee is for now only suspected of organizing the killing of Listyev. [end recording]

[Correspondent] But the details of the man arrested are still being kept secret. His name is not being given in the interests of the investigation. All that is known is that he is a citizen of Russia and inhabitant of Moscow and has links to the Solntevskaya [crime] Group. He was staying with his friend in Tbilisi. He was sent to Moscow straight after his arrest. As for who controlled the operation, the minister was much more forthcoming.

[Begin Kviraia recording] The operation was led by FSB Director Colonel General Nikolay Kovalev, and, naturally, myself. [end recording]

[Correspondent] It is hard to say how far Russia's law enforcement bodies have got in the investigation into this affair since the Tbilisi operation but even two months after the arrest was made they are refraining from any comment. If the citizen arrested in Tbilisi is not proven to have been involved in Listyev's killing then a major row in Tbilisi cannot be ruled out.

The republic has not forgotten how the Russian law enforcement bodies refused to hand over Igor Georgadze [as heard], accused of a terrorist attack on Eduard Shevardnadze, to their Georgian colleagues on the grounds that the evidence offered was not convincing. In this connection, the question will probably be raised: Did officers of the Georgian Interior Ministry exceed their authority when they arrested an innocent man, and how convincing was the evidence offered by the Russian side?

Georgia: Baltin Reveals Role in Georgian Events in 1993

LD0308213396 Moscow NTV in Russian
1800 GMT 3 Aug 96

[From the "Segodnya" newscast]

[FBIS Translated Text] [Announcer Mikhail Osokin] Admiral Eduard Baltin, former commander of the Black Sea Fleet has arrived on vacation in Tbilisi. He is in the capital for the first time but he has visited Georgia frequently — in 1993, for instance, at the height of the civil war when his ships helped Eduard Shevardnadze's detachments to defeat their rivals. Journalists have learned for what may be the first time that the admiral was acting back then at his own risk, independently of the Kremlin.

[Begin Baltin recording] No one gave me orders. These events occurred in the area of operations of the Black Sea Fleet, therefore the Black Sea men intervened in order to restore order. [end recording]

[Osokin] Baltin is an honorary citizen of the town of Gori but that is not because of the help he gave to Shevardnadze. He received the honor for having been born on the same date as Stalin, 21 December. Incidentally, the Black Sea Fleet was thanked for its help back then. The men of the Black Sea Fleet are probably reminded of the operation by Georgian tea. The authorities gave the fleet so much that the sailors are probably drinking it to this day.

Georgia: President on Vacation; Regular Interview Cancelled

LD0508102096 Tbilisi IPRINDA in Russian
0930 GMT 5 Aug 96

[FBIS Translated Text] Tbilisi, 5 Aug (IPRINDA) — An IPRINDA correspondent has reported that today's regular radio interview with Georgian President Eduard Shevardnadze has been cancelled. As reported earlier, the president is currently on holiday at the Likani government recreational facility near Borjomi [in central Georgia]. The IPRINDA correspondent was told by the presidential press service that Shevardnadze's interview had not taken place because of technical problems.

Quoting well-informed sources, the IPRINDA correspondent reported that the interview broadcast on 29 July had been recorded before Shevardnadze went on holiday. However, today, ahead of an important visit to Moscow on 8 August, the president decided to refrain from his regular public address.

Estonia

Estonia: Estonian-U.S. Military Training Ends, Restraint Taught

LD0208134596 Tallinn Radio Tallinn Network in Estonian 1200 GMT 2 Aug 96

[FBIS Translated Excerpt] The closing ceremony of the two and one-half week peacekeeping training at the Parnu independent infantry company was held today. The training has been carried out by U.S. Green Berets. From 13 July, a 16-strong group of the Second Battalion of the U.S. Army Special Forces Commandos, No. 10 [as heard], were in Parnu in order to teach Estonian defense forces what constitutes UN peacekeeping activities. There were four officers and 12 NCOs. [passage omitted]

Major Jeff Goble, the U.S. military unit's commander, arrived on 31 July to observe how the training was summed up. On the Estonian side, the entire Parnu company, a group of Kaitseliit [defense league] men from Parnumaa District and Defense Academy cadets, a total of 155 men, participated in the training.

Priit Reet, one of the men who attended the training, and the commander of the Tori unit of the Parnumaa Kaitseliit, told ETA [Estonian Telegraph Agency] that the Americans taught Estonian soldiers restraint in dangerous situations, how to think the situation through and evaluate it properly. They also learned how to treat excited local residents in the area of hostilities, how to calm and guide them.

Today the training at the Parnu independent infantry company was summed up. It was noted that there could be another training period next year, with the participation of perhaps other military units' soldiers and officers of the Estonian Defense Forces.

Estonia: Tallinn Union of Russian Citizens Holds Conference

LD0408210596 Tallinn Estonian Television Network in Estonian 1800 GMT 3 Aug 96

[FBIS Translated Text] Russian citizens are preparing for the local government elections in Estonia. So far there are differing views among groups.

The Tallinn Union of Russian Citizens elected Petr Rozhok its chairman at its conference. The presidium of the Tallinn Union of Russian Citizens, however, insists that the meeting had been organized contrary to rules.

The supporters of Petr Rozhok [Estonian representative of Vladimir Zhirinovskiy], who was expelled from Estonia for being in the country illegally, adopted a resolution at their meeting in which they demand that the Russian language be given the status of the second state language. In their resolution, the supporters of Rozhok condemned the setting up of a Russian Congress.

The presidium of the Tallinn Union of Russian Citizens, lead by Yevgeniy Kogan, a former activist of the Inter-movement [Interdvizheniye], says that Rozhok is trying to create a split in the organization. Kogan has announced to the press that he was planning to run for a seat in the council of Tallinn.

The presidium of the Tallinn Union of Russian Citizens is intending to convene a congress of Russian citizens so that the organization of Russian citizens can be officially registered in Estonia.

Lithuania

Lithuania: Deputy Premier, Russian Comment on Border Negotiations

LD0108124396 Vilnius Radio Vilnius International Service in Lithuanian 0800 GMT 1 Aug 96

[FBIS Translated Text] On 31 July, the fifteenth round of the Lithuanian and Russian negotiations on delimitation of the state border ended in Vilnius. However, the final agreement did not become any closer after this meeting. The main problem, as before, is the disputed border line going along Lake Vistytis, the border in the Courland Lagoon, and the Baltic Sea. Yet another disagreement concerns which part of the River Nemunas should be attributed to which country. It is expected that the negotiators will reach a final agreement by the end of this year. Here is Lina Krupaviciute with the details:

[Begin recording] [Krupaviciute] After two days of border talks between Lithuania and Russia, no significant progress has been achieved. The head of the Lithuanian delegation, Deputy Foreign Minister Rimantas Sidlauskas, told reporters that the fifteenth round of negotiations was primarily used by the delegations for removing redundant passages from the documents, so that the number of optional wordings is kept to a minimum. According to Sidlauskas, both countries are getting closer to an agreement:

[Sidlauskas] I cannot say that my previous optimism was justified 100 percent. But, no doubt, there remain very few arguments which are willingly employed but lack strong reasoning, and the situation of the border in Lake Vistytis, the mouth of River Nemunas, and the Baltic Sea is getting closer to a solution.

[Krupaviciute] At the negotiations, which have been going on for three years now, about 90 percent of the common border has been agreed upon. However, there are still disagreements on the border in Lake Vistytis and the mouth of the River Nemunas. According to Rimantas Sidlauskas, the delegations well realize that the existing proposals on Lake Vistytis do not satisfy either side. Lithuania is not ready to accept the option according to which not more 39 hectares of the lake's territory would be attributed to her, because in this case Lithuania would be deprived of the right to utilize the waters of the lake, where Lithuanian fishermen currently fish. Meanwhile, Russia does not agree with the proposal to divide Lake Vistytis into two equal halves.

There are also disagreements between Lithuania and Russia on the borderline in Courland Lagoon and the Baltic Sea. However, according to Rimantas Sidlauskas, specific maritime border lines were not discussed at this round of talks. According to Rimantas Sidlauskas, the draft state border treaty should be finalized by the end of this year. According to Sidlauskas, the negotiations could be furthered by a summit of the Lithuanian and Russian presidents:

[Sidlauskas] It all has to end at some point. Experts can argue for 10 or 15 years, but I believe that the time, by which we should have all issues clarified and have questions formulated clearly enough so that a decision can be taken, is this autumn.

[Krupaviciute] The head of the Russian delegation, Valeriy Popov, also says he has hopes that both countries can reach an agreement by the end of this year. Popov said that this round of the Lithuanian and Russian negotiations was satisfactory:

[Popov, in Russian fading into Lithuanian translation] My evaluation of the talks is positive. I believe that we managed to understood better the positions and arguments of each other, arguments which so far do not allow us to solve the complicated issues of the negotiations. I hope that a meeting of the presidents or prime ministers would help the border agreement to be reached more quickly.

[Krupaviciute] The next round of the Lithuanian and Russian negotiations on state border is expected to take place at the end of August or at the beginning of September. Lithuania hopes that the next meeting should take place as early as possible, while the Russians proposed negotiations in September. [end recording]

Lithuania: Armed Forces Administrative Reorganization Outlined

*WS0208122096 Tallinn BNS in English
1006 GMT 2 Aug 96*

[FBIS Transcribed Text] Vilnius, Aug 2 (BNS) — This year, an administrative reorganization of the Armed Forces and a fusion of the Army's general staff with the defense ministry is being carried out.

The goal of the reorganization is to reduce the bureaucratic apparatus and speed up administrative operations, BNS was told by the general staff chief Lieutenant Colonel Valdas Tutkus.

According to him, with funds lacking for the Army, it is too great a luxury to maintain two separate bodies — the ministry and the general staff. Now the staff will be a component part of the ministry and all its officials will be transferred to the ministry in the center of Vilnius. Until now the staff rented premises at the military academy.

As a result of the reorganization, 70 positions will be eliminated — roughly a third of the entire general staff personnel. The funds saved will be given to the Army.

Tutkus noted that the highest ranks of the staff — army commander and staff directors — will not be eliminated. The reorganization will mostly effect those departments of the staff which are doubled in the ministry.

By order of the minister of defense, reorganization which has been begun will conform to Lithuania's efforts to restructure the Army in accordance with NATO standards, and civilian control over the Armed Forces will be strengthened, the staff chief said.

The reorganization will be completed before winter. At that point, Defense Minister Linas Linkevicius and Army Commander General Jonas Andriskevicius will be sitting in neighboring offices, joined by a common reception room.

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